

endeavor | J.P.Morgan | ⚡ ID345

OUTLIERS

ENTREPRENEURS REDEFINING THE FUTURE

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PROLOGUE

In recent years, Latin America has witnessed an unprecedented transformation, driven by a new generation of entrepreneurs who defied expectations, broke barriers, and redefined the business landscape. These visionaries, whom we call Outliers, have not only created high-performing tech companies but have also paved the way for others to follow, proving that innovation and growth are not exclusive to the world's major tech hubs.

This book compiles 22 stories of individuals who, through determination, creativity, and clear vision, achieved the unthinkable. They are living examples of what can be accomplished when talent meets opportunity, perseverance overcomes skepticism, and purpose guides every decision.

Each of these chapters is a testament to the transformative power of entrepreneurship in Latin America. Showcasing what is being done in our region is not just a celebration of individual accomplishments but an affirmation that Latin America is fertile ground for innovation and growth. These stories have the potential to change perceptions, prove that global companies can be built here, and inspire a new generation of entrepreneurs to dream big.

Through these pages, we aim not only to share inspiring stories but also to promote an entrepreneurial culture that plants the seeds of change in the minds of those who dare to imagine a different future. We want to give visibility to the Outliers who, with their passion and leadership, are transforming entire industries, generating impact in their communities, and putting Latin America on the global innovation map.

This book is an invitation to get to know these protagonists up close, learn from their paths, and be inspired by their drive. May their experiences serve as motivation for today's entrepreneurs and for the generations to come.

Edinardo Figueiredo

CEO Latin America & GFG Private Bank

STANDING
GOING
PERFORMING

INTRODUCTION

"We know that successful people come from strong seeds. But do we know enough about the sunlight that warmed them, the soil in which they took root, and the rabbits and lumberjacks they were fortunate enough to avoid?"

MALCOLM GLADWELL

What does it mean to be an outlier?

If we look at how the word is used in statistics, outliers are atypical values—unexpected exceptions to a rule that applies more or less evenly to the rest. But beyond numbers and academic definitions, being an outlier means embodying the essence of the extraordinary. They are people whose achievements and impact are so remarkable that they simply can't help but shine among the rest—like a star in the night sky, like a lighthouse lighting the way.

Outliers constantly break the mold, questioning rules most of us take for granted. Instead of going with

the flow, they dare to create their own current. And yet, we often assume they are extraordinary beings who reached greatness on their own, destined for success from the moment they were born...

But what if I told you they're also ordinary humans, with fears, moments of doubt, and major failures? We tend to view the founders of great companies as if they were born to change the world, as if they came into life with everything figured out—but the truth is different. These people had to forge themselves along the way. They had to transform.

There's a harsh statistic that speaks volumes about the reality of the entrepreneurial ecosystem: only 1 in 10 startups is still alive four years after being founded. If we look at the metrics up to that point, failure seems to be the norm. However, that's only half the story—because out of these failures often emerge more mature entrepreneurs, hungry for success and eager to keep adding value. What's truly extraordinary—and what turns many of these failed entrepreneurs into outliers—is how they rose after falling.

And that's exactly what you'll find in this book: 22 stories of remarkable outliers from Latin America and the Caribbean, told like never before.

You'll gain firsthand insight into their pasts, their daily habits, and their personalities. These stories are crafted to captivate you, challenge your beliefs about what it means to be an outlier, and ignite your inspiration.

We decided to create this book for three main reasons:

1

TO SHARE THEIR HUMAN SIDE. They didn't start from nothing and suddenly build an empire. We want you to see the person behind the logo and the company, to know who they were before they began working on their startup.

2

TO SHOW THAT THERE ISN'T JUST ONE PATH TO FOLLOW. In fact, as you start comparing the stories of each entrepreneur, you'll discover there are countless ways to achieve success. Some took 10 years before launching their first venture, while others started after turning 40. There is no "magic formula" for building a unicorn company. There's no handbook for becoming the best entrepreneur in your country. Each path is entirely different, with its own highs and lows.

3

TO INSPIRE YOU. One of this book's greatest goals is to awaken the next generation of outliers in Latin America and beyond. We believe stories are a powerful way to teach lessons and to motivate future entrepreneurs to begin their journey of impact and value creation.

Facts About the Outliers

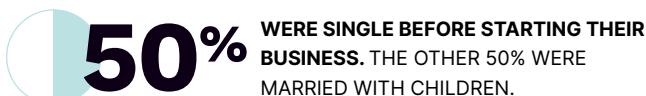
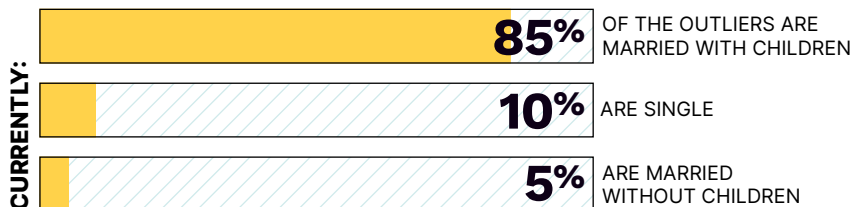
As we studied the stories of these 22 outlier entrepreneurs from Latin America and the Caribbean, we gathered some fascinating data that reveals more about their background, education, upbringing, and personal interests:



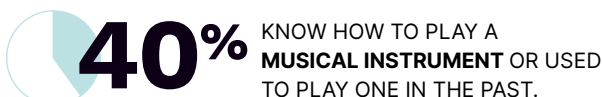
Of the outliers **grew up** in a family where there was **at least one entrepreneur** they could look up to as a **reference**.



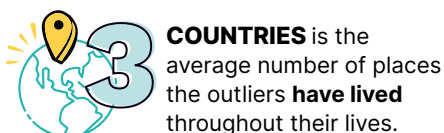
Held an **extracurricular leadership** position during high school.



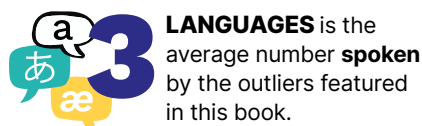
50% WERE SINGLE BEFORE STARTING THEIR BUSINESS. THE OTHER 50% WERE MARRIED WITH CHILDREN.



40% KNOW HOW TO PLAY A MUSICAL INSTRUMENT OR USED TO PLAY ONE IN THE PAST.



3 COUNTRIES is the average number of places the outliers **have lived** throughout their lives.



3 LANGUAGES is the average number **spoken** by the outliers featured in this book.



On average, the outliers **wake up at 6:30 AM.**



They **read 16 books** a year, on average.



Most of them follow a **wellness routine** such as yoga, meditation, or gratitude practice.



The **most popular hobbies** are traveling the world, photography, and cooking.



They include some form of **physical activity** in their weekly routine. The most popular are running, cycling, playing soccer, and going to the gym.



Where are the companies of the outliers featured in this book based? **Brazil, Argentina, Chile, Colombia, and Mexico.**

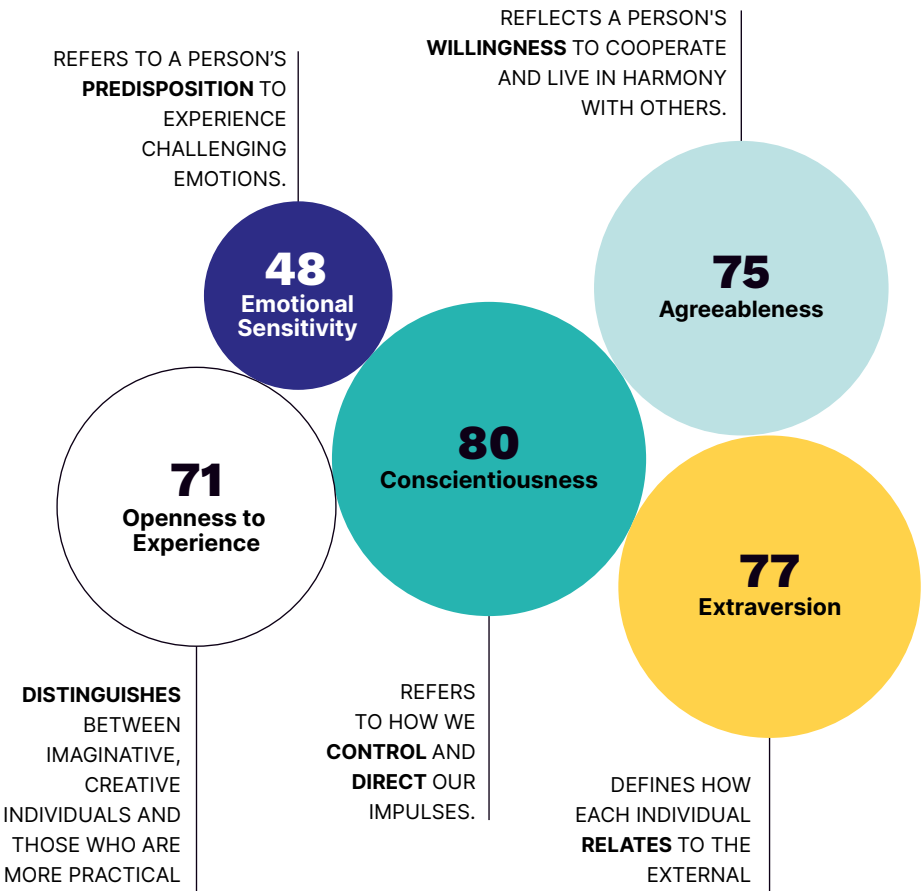
Throughout the interview process conducted with each entrepreneur, a personality test—the Big Five model—was also administered to further uncover the secrets behind their success. According to the Association for Psychological Science and *Scientific American magazine*, this is the most scientifically valid personality test in the world.

How does the Big Five model work? It essentially measures personality across five dimensions: openness to experience, conscientiousness, extraversion, agreeableness, and emotional instability.

BIG FIVE:

Outliers from Latin America and the Caribbean

On a scale from 0 to 100, these were the results:



In any case, beyond all these fascinating facts and personality insights, the most successful entrepreneurs in Latin America—and around the world—share four key traits:

To begin with, outliers feel a deep passion for what they do. They've become part of that rare 10% who manage to build a company and sustain it over the years because they are driven by the powerful conviction that they are doing exactly what they were meant to do. None of them are in it for the money—they're in it for the passion. And that is what has allowed them to go so far. Passion is like the foundation of a tall tower: no matter how hard it rains or how fierce the winds may blow, the tower stands firm. Because passion is what holds outliers up along the way, fueling them when others run out of energy. The second shared trait is their ability to identify a problem that affects both themselves and millions of others—and fall in love with it to the point that they are willing to do whatever it takes to solve it. In this sense, following a shared philosophy of thinking big, these entrepreneurs have embraced technological advancements to create disruptive value propositions in their markets. Thanks to technology, they have been able to compete with companies that previously dominated their regions—and change the rules of the game.

The third trait they have in common is that they've worked to develop a long-term vision. This is a key characteristic every startup founder must have. By thinking long-term, many of them have made decisions that seemed unproductive in the short term, but that ultimately allowed them to multiply their growth over time. Their eyes aren't set on the nearby hill—they're aiming for the summit of Everest... and then an even higher mountain after that. The final characteristic they share is resilience. To some degree, every outlier has faced failure. Each one has had to find their way again or make incredibly tough decisions. But they learned from those moments and used them as a tool for growth. Resilience made them better entrepreneurs, better leaders, and better people. That's why they all share the philosophy that failure is not the end—it's an opportunity to transform.

In line with this vision, at Endeavor we strive to promote high-impact entrepreneurship around the world, and we are proud to work hand in hand with truly extraordinary entrepreneurs—like the 22 outliers whose stories we’ve had the privilege to collect. These are leaders who not only generate massive impact in their communities by creating thousands of jobs, but who are also key players in the transformation of their societies. We believe that high-impact entrepreneurs—the outliers—don’t just build unicorn companies; they also ignite a spark that inspires others around them to begin their own entrepreneurial journeys. A great example is the case of Rappi’s founders: 131 of their former employees have gone on to start their own companies after being shaped in a highly collaborative and disruptive environment like that of their startup.

At Endeavor, we call this phenomenon the multiplier effect. Entrepreneurs—sometimes even without realizing it—create more entrepreneurs, and society as a whole benefits from it.

The emergence of major startups in Latin America over the past two decades is lighting the way for the next generation of high-impact entrepreneurs, attracting venture capital, serving as mentors, and showing by example that it is indeed possible to build disruptive companies in the region. According to the 2023 StartupBlink report, Latin America and the Caribbean is the region that received the least amount of funding worldwide, with just 2.2%. We hope the multiplier effect will pave the way for new entrepreneurs and more venture capital in the region—and that the sector will ultimately flourish. We believe in the potential of Latin America, and we are confident that Silicon Valley-like ecosystems can emerge in several cities across the continent—São Paulo, Mexico City, Bogotá, Santiago de Chile, and Buenos Aires, to name just a few.

How Should You Read This Book?

If you feel like sitting down and enjoying all 22 stories in one day, that sounds perfect to us. However, we also believe you might get more out of each story's insights if you take the time to absorb them one by one.

Remember, you're gaining access to the lives of outliers in a way that has never been told before: you'll learn how they grew up, what inspires them, the doubts they've faced, and their personal methods for overcoming challenges and evolving alongside their companies. On top of that, we've included a summary of key lessons at the end of each story to help you reinforce what you've learned. We believe each story is incredibly valuable and deeply inspiring on its own—consuming them all at once might not be as impactful.

Another helpful tip? Gather a group of entrepreneur-minded friends and start a book club. That way, you can select a few stories per session and meet to discuss them together.

The truth is, there's no single way to read this book. Do what feels right for you. After all, high-impact entrepreneurship can be both a marathon and a sprint—so allow yourself to learn in whatever way suits you best.

At Endeavor, we hope these stories give you multiple perspectives on what it means to be an entrepreneur—and to enjoy life itself. Our goal is to make this book a valuable tool for anyone in Latin America and the Caribbean whose dream is to become a high-impact entrepreneur. We want you to be inspired, to learn, and ultimately, to dare to find your own path.



ADOLFO BABATZ

Entrepreneurship in digital payments
for freedom and equality of opportunity

Daring to accept mistakes in time

Without Adolfo Babatz on the Mexican business scene, nothing would be the same. He was the one who launched PayPal's operations in Mexico and who would go on to create Clip, one of the solutions that would democratize digital payments for small businesses.

In his role as CEO of Clip, the leading digital payments company in Mexico that has fulfilled the dream of helping millions of businesses across the country accept all types of payment methods, Adolfo has led the company to achieve a valuation of over 2 billion dollars in 2021, becoming a unicorn.

In its early days, Clip's story seemed like a dream: a rapidly growing company with impressive potential, and the first to bring Silicon Valley's money to Mexico. But suddenly, it all turned into a nightmare. It was late 2014, and Adolfo Babatz, its founder, began experiencing daily anxiety, and at night, insomnia that kept him from resting.

“I suffered a lot during that time. Emotionally, it was incredibly hard for me,” he recalls.

“I always tell the same thing to people who join Clip,” Adolfo recalls. “Here, you’ll see yourself in the mirror naked, and most likely, you won’t like what you see.” “That’s exactly what happened to me.”

Just two years after starting his company, Adolfo Babatz faced a very challenging situation. He had to acknowledge that Clip's growth had stalled. It wasn't growing the way a high-potential tech startup should, and a big part of the problem was the way Adolfo had managed the company and the people he had brought aboard. Understanding that situation was key to what came next.

With these and several other problems weighing on his shoulders, Adolfo sought help from Vincent Speranza, his Account Manager at Endeavor, the world's largest community of high-impact entrepreneurs.

—Looks like you're finished —
Vincent told him, making Adolfo let out a chuckle. Beyond the jokes and calmly listening to his concerns, Vincent also recommended that he sees a coach who could help him work on his personal life and growth.

Adolfo took the advice, and with the help of his coach, a psychologist, and the constant support of his wife, the situation began to improve. He was also fortunate to cross paths with Myriam Cosío, an executive who had spent nearly a decade at American Express and who helped

him understand the growth and human resources challenges Clip was facing. With more experience in the industry, managing people, and in life, Myriam became an advisor to Adolfo during those uncertain times, and she was the one who pointed him towards a possible solution: letting go of most of the people working at Clip.

Adolfo had never managed people before, so the process of attracting, retaining, and developing talent was the most difficult part, he explained in an interview with the digital news outlet DPL News. He wasn't prepared for the role of being team lead, and as a result, he had made hiring mistakes that were causing significant losses for Clip.

The solution to save Clip was comparable to a full blood transfusion: a 95% staff turnover. They practically had to renew the whole company while also changing the distribution model they had been implementing. To make matters worse, like adding ingredients to the recipe for disaster, they were dangerously close to running out of money. Everything piled up. They didn't even know if they would be able to recover.

However, all the tough decisions made in 2014 and 2015 began to bear fruit when the business started growing by 20% month over month.

“In those moments, the problems seem to disappear and you feel relief for the decisions you made,” Adolfo acknowledges.

Daring to accept mistakes in time and finding the strength to rise again was key to Clip's resurgence. As a result of all those changes, the company took off like a rocket.

In addition to leading more than 800 Clippers, Adolfo enjoys reading, cooking, running, strength training, walking, fishing, and inviting friends over for dinner, listening to music, and laughing. But his absolute passion is snow skiing. “If I could, I'd be on skis 365 days a year.” This passion stems from the time Clip had an office in Salt Lake City where Adolfo says, “I would escape to the mountains to ski, get lost, and not think about anything — it's a magical place.” Adolfo admits that he (with great difficulty) wakes up between 7:30 and 8:00 in the morning, reads at least 15 books a year, started his first business at 36, is a board member of Endeavor Mexico, an observer on the Endeavor Miami board, and an advisor to Club América, the team he loves. He considers becoming a father the most important thing that has ever happened to him and something that profoundly changed his life.

A multifaceted vocation

Adolfo is the youngest of five siblings, two women and three men in total. He and his siblings were raised in a very strict household. His father, the son of a German immigrant who came to Mexico between the two World Wars, was extremely demanding.

My home was an extremely strict place, almost military-like. My mom softened a lot of the harshness we got from my dad's side,"
he shares.

"Being the youngest of the five, by several years, I grew up very close to my mom and her friends, she would take me everywhere. I grew up surrounded by women who spoiled me and adored me for as long as I can remember." This, along with Adolfo's very close relationship with his maternal grandfather, were "key in shaping my personality and many of the positive traits in the way I am," Adolfo comments.

His father was also an entrepreneur for a period in his life, although Adolfo remembers little about that entrepreneurial phase. In the '70s, his father started a software company that provided timely information for decision-making to various businesses, such as price indexes, inflation rates, and exchange rates. However, the company didn't do well

during the '80s, so Adolfo's father ended up selling it and took a very good job, where he stayed for the rest of his life.

Unlike others who know exactly what they want to be from a young age, Adolfo never had a clear idea that he would become one of Mexico's most important entrepreneurs. He was interested in many professions (something that's still true today), but nothing was firmly set in his mind. Among his options, he would have liked to become a doctor, a soccer player, a designer, or even a spy.

His passion for medicine came from his maternal grandfather, who was also a doctor. In fact, he owned a hospital during the years when Mexico was beginning to develop and industrialize as a country.

Adolfo also really enjoyed soccer and was quite competitive, though he admits he wasn't as skilled as he would have liked. "I have two left feet," he says with a laugh. But that's not all—Adolfo was also fascinated by the idea of being part of the world of spies. He loved stories like James Bond and spent a lot of time reading books about disguises and espionage techniques.

So when Adolfo took a career aptitude test in high school, it confirmed what he had long suspected: he had the skills and interest to pursue a wide range of fields, including graphic design, industrial design, architecture, psychology, medicine, chemistry, among many others.

He ultimately chose to study Chemical Engineering. Although he thought he might grow to like it over time, he quickly realized he didn't enjoy either the university or his major. He stayed for a year, fully aware that this couldn't be his path, he told himself:

“How am I going to tell my parents I don't want to study this? It's been a wasted year.”

Fortunately, despite the strict environment at home, Adolfo's father understood and reacted quite well when he revealed that he wanted to take a different direction.

That's how Adolfo ended up studying Administration at the Autonomous Technological Institute of Mexico (ITAM). “What I've always said is that I got into the right university, but the wrong major. The major was very good, but I never really loved it. Administration wasn't the right fit for me, but it gave me an excellent foundation,” he admits.

Adolfo believes that ITAM was the place where he truly learned how

to think. “They forced me to, but it worked,” he jokes. “ITAM is a wonderful place, you read absolutely everything, from Plato to Heidegger, passing through Hobbes, Marx, and Adam Smith. They really push you to think critically, develop analytical skills, and withstand pressure. My heart, and especially my mind, opened up incredibly during those years. That's also where I met my wife,” Adolfo shares. He had to question much of what he had learned from his family, his home, and his earlier schooling. At one point, he felt inspired to enroll in Political Science as a second major, but he followed bad advice and didn't go through with it. He now regrets that decision, as he later ended up working in that field and realizes he could have gotten much more out of it.

During college, Adolfo realized that one of his life goals was to study abroad, specifically in the United States. Most of his upcoming career decisions would point in that direction. So, a year before finishing his degree, he started working in the consulting division at Arthur Andersen. However, he eventually decided to quit because he didn't enjoy that line of work. He spent some time unemployed, and the situation became even more difficult after the 9/11 tragedy, which led to many job opportunities in Mexico drying up.

But the life of entrepreneurs is full of serendipity, fortuitous moments when luck aligns in their favor and

surprises them with something they didn't even know they were looking for. That's exactly what happened to Adolfo during that time.

At the Puerto Vallarta airport, after a trip with his girlfriend and future wife, Adolfo met someone who would become incredibly important for his future: Luis Téllez, who would go on to be his boss and mentor for the following years. They met in line and ended up seated next to each other on the plane, where Luis began asking him some questions. "I didn't realize it at the time, but Luis was interviewing me," says Adolfo. When they arrived in Mexico City, Luis gave him his number and invited him to his office with the intention of bringing him into the company he was leading at the time, Grupo Desc, a Mexican industrial conglomerate with a presence in over 70 countries.

The experience with Luis was a turning point for Adolfo.

"At ITAM, they taught me how to think. At Desc, Luis taught me how to work."

Adolfo jokes, "The few good work habits I have, I owe to Luis." He worked directly under him, serving as his right hand in the company.

During those years, he learned the importance of punctuality, organization, and above all, "what truly makes a leader a real leader," Adolfo says. One lesson that stuck with him was that the quality of any

material meant to be presented to someone else had to be impeccable, whether it was an Excel spreadsheet or a slide presentation.

At Grupo Desc, they began to go through a crisis marked by debts and various challenges. In that context, Luis also taught him how a leader should conduct themselves during difficult times. One of the key lessons Luis taught him, Adolfo explains, is that "when you're in crisis, whether in your company, your family, or your personal life, that's when you're most tempted to do things you shouldn't. An entrepreneur whose company is slipping through their fingers might end up inventing metrics just to get by, right? They take the easy way out." But for Adolfo, it was clear how Luis led Grupo Desc through tough times by making difficult, even painful decisions. Luis was a model of how someone should lead in adverse situations:

"With a firm yet empathetic hand, he steered the ship in the right direction."

Over time, Luis was invited to join The Carlyle Group, one of the largest investment firms in the world, and he asked Adolfo to go with him. There, Adolfo was able to learn about financial models and continue progressing toward his goal of moving to the United States. But he was also presented with a golden opportunity: Luis asked him to serve as a translator for a week for David Rubenstein, the founder of The

Carlyle Group and a towering figure in the world of investing, who was coming to Mexico to raise funds for his company.

Adolfo spent an entire week shadowing Rubenstein, accompanying him to meetings and witnessing firsthand how he raised capital and delivered successful pitches to potential investors. Adolfo played a role in raising The Carlyle Group's first fund in Mexico. And almost without looking for it, he gained knowledge that would serve him for the rest of his life, straight from one of the best mentors possible.

Up to that point, Adolfo hadn't let go of his goal to study in the United States. He had been preparing for over a year for the graduate school entrance exam, and it was proving to be very challenging. It tested his perseverance.

"I took it three times before I got the result I wanted. When I want something, I'm as stubborn as a mule,"
Adolfo says.

Making decisions he truly wanted to make

Adolfo ended up being accepted to several universities in the United States, but he chose the Massachusetts Institute of Technology (MIT). There, he began his Master's in Business Administration, leaving his job at The Carlyle Group to fully dedicate himself to his studies.

The problem was, he had no idea what area to specialize in. During his first semester, he took all the required courses like finance, strategy and marketing, but by the second semester, he told himself it might be time to start following his heart. Adolfo continued taking classes at the business school, but

in his second year, he also enrolled in courses from the economics and engineering schools, as well as the MIT Media Lab. "I've always said I'm someone incredibly fortunate, someone lucky. Getting into MIT was wonderful because, unlike other universities, the entire institution is available to you, you can take any class you want, regardless of your major. I loved every minute I spent there. It was the place where I finally did what I wanted to do, not what was expected of me. It was the first time I truly experienced genuine freedom," Adolfo comments.

In January 2007, Adolfo and his classmates took a trip to Silicon Valley, where they had the chance to visit the offices of PayPal, one of the world's most important financial services companies, although at the time it wasn't yet as large or globally recognized.

During the visit, Adolfo met and became friends with a Colombian who worked on PayPal's international expansion team.

—“We're currently looking for a summer intern, why don't you apply?”—he said to Adolfo.

And he didn't overthink it. He applied, and that same summer he and his wife moved to San José, California, aiming to gain experience, and possibly a future position at the company. After completing his internship and returning to MIT to finish the final courses of his master's degree, PayPal offered him a full-time job to begin launching their operations in Mexico.

“The first steps of PayPal in Latin America, and they hired me specifically for that: to launch in Mexico,”
Adolfo recalls.

But choosing to go to PayPal wasn't as simple as it might seem; after his second year at MIT, he received numerous calls and emails from consulting firms and investment funds offering him jobs.

“Going to work in tech wasn't trendy or sexy back then. What was considered sexy were investment banks, consulting firms, and the like,” says Adolfo. At some point, everyone shifted their attention from Wall Street to Silicon Valley, but that wasn't the case yet when Adolfo was just beginning his journey with PayPal.

In any case, thanks to his experience during his second year at MIT—where he focused on learning about technology, combined with the internship he completed at PayPal, Adolfo began to realize what he truly wanted to do with his life. He wanted to design and create products that could make an impact. While working full-time at PayPal, the idea of starting his own venture was already taking shape in his mind. “I think eventually I'm going to do something,” he would tell himself.

He had the opportunity to witness and be part of a company beginning its international expansion, as everything related to PayPal's product passed through his hands, including marketing, product development, and even the legal area. “I worked in San Francisco, but I was the only employee fully dedicated to Mexico, one hundred percent” he explains.

Over the following months, Adolfo met members of PayPal's mobile app development team and began working with them on a project that would end up being key to his future as an entrepreneur. At that time, the iPhone already existed, but it still wasn't possible to install third-party applications.

So, the team Adolfo was part of ended up hacking an iPhone and installing a credit card reader on the device. Afterward, they flew to Cancún, where they held e-commerce seminars to promote PayPal among the various businesses that lived in the city.

But instead of showing interest in e-commerce, everyone was amazed by the device that allowed credit card payments through a phone. However, the project ended up being shelved, a significant mistake, as the following year, Square was founded in the United States, offering a similar product. Today, Square has a market capitalization of over 50 billion dollars. Adolfo watched from behind his desk as a titan was born.

The truth is, Adolfo had already envisioned how that device, applied to the Mexican market, could create major disruption in the payments space. But he waited a bit longer in the United States to complete the process of obtaining his Green Card. During this time, his first daughter, Marina, had just been born, and he felt it was the right moment to begin his new adventure. He made the decision to leave PayPal in May 2012

"I was 36 at the time. It was the first time that I found what I liked. It was with the kind of courage that only ignorance can give you that I took the leap," Adolfo jokes. He was very nervous, experiencing a kind of anxiety he compares to watching the World Cup with your national team playing.

"I had a lot more excitement than fear."

After many years and much reflection on his beginnings, Adolfo has come to the conclusion that most entrepreneurs who go on to build something big have something that pushes them forward, an important reason, a goal, a dream that gives purpose to everything they do.

"It could be trying to impress someone, settling a score with the past, ambition, a desire to make more money, or a combination of several things. But I believe every entrepreneur has personal reasons, and they're often tied to childhood, to the place you come from,"
Adolfo explains.

In his case, the two main reasons that drove him to create Clip were the desire for freedom and the pursuit of equality of opportunity.

"Having grown up in such a tough and strict household, what I really wanted was to break free from all the restraints, all the things that were holding me back from simply being," Adolfo explains. Founding Clip was fueled by that same sense of freedom he had first started to experience when he was finally able to choose his own path at MIT.

Despite having been born into a position of privilege, Adolfo is keenly aware that Mexico faces a systemic problem of limited competition and lack of opportunity for most of its population. "All these issues we have in Mexico, violence and more, stem from that: not everyone has the same opportunities," Adolfo explains that most of the country's wealth is tied to monopolies or oligopolies, to a closed ecosystem, which makes it much harder for people outside of those circles to build successful companies or thrive in their own country. "In Mexico, creativity and hard work have not yet triumphed over privilege and cronyism." We're embedded with Crony Capitalism. Even by Latin American standards, Mexico and her fortunes are entrenched in the past and privilege.

That's how Clip was born, as a quest to create fairness and give small businesses the opportunity to compete, because Adolfo refuses to accept that the rules of the game have to stay the way they've always been.

"What Clip does is provide payment acceptance tools to people who previously had no access to them. It helps hundreds of thousands of businesses operate on a more level playing field and gives them a chance at a better future," he affirms.

The values and internal workings of Clip are rooted in the very reasons that gave life to the startup. The mission of generating opportunities and boosting competition for less privileged sectors is part of its core vision, and Adolfo has worked to instill a deep sense of freedom for Clippers and what they are able to do. "I'm pretty soft. I'm not the kind of boss who hovers over people doing micromanagement. On the contrary, the people who work with me have a great deal of freedom. That works really well when the people are extraordinary, but if they're not... it can be a disaster, and that's happened to me many times. Still, in the long run, the results are far better," Adolfo shares.

Adolfo Babatz



Adolfo **founded Clip** with the mission of democratizing digital payments in Mexico.



2012

Following its recovery, Clip began growing at a rate of 20% month over month.

2015



2014

Clip experienced a significant growth crisis, prompting Adolfo to restructure the company by replacing 95% of the team.

2007

Adolfo Babatz joined PayPal, where he was responsible for launching and overseeing operations in Mexico.



2020

The COVID-19 pandemic severely impacted Clip's transaction volume, resulting in declines of up to 40%.

Clip became the largest payment processor in Mexico based on the number of merchants served.

2018



2021

Clip reached a valuation of over \$2 billion, officially achieving **unicorn status**.



Difficulties and growth of Clip

Looking back on his journey, Adolfo believes that at Clip, they had a clear understanding of how the business would work from the very beginning. They knew exactly who their market was and what their potential customers needed. According to Mexico's National Institute of Statistics and Geography (INEGI), as of 2018, 83% of traditional Mexican businesses didn't accept any form of payment other than cash. Adolfo knew precisely where Clip's focus needed to be aimed at.

“The truth is, we had a huge advantage because payment businesses have existed for many years. They’re all over the world, and you have examples to draw from and adapt to the market or segment you’re targeting,”
Adolfo explains.

“The key with startups, as always, is execution. It's not so much about the idea or the concept, it's about how you execute it.”

Clip faced several challenges as the company began to take shape. One major issue was related to hardware. At the time, Mexico was dealing with a serious wave of card cloning. The devices used to commit these crimes were small, square, white or black machines that could

read magnetic stripes, often found in places like gas stations or retail stores. Unfortunately, the available card readers looked very similar to these cloning devices. “They weren't exactly going to inspire much trust in consumers,” Adolfo explains.

To solve the problem, Clip invested over half a million dollars (out of the \$1.5 million they had) that was raised in a funding round, into designing the product and the brand. “We chose a very striking color and a specific shape to give buyers a sense of security,” He says. Today, Clip's terminals are well-positioned in the market and instantly recognizable.

The aesthetic aspect played a crucial role in brand recognition and market positioning. “There was a deep indifference from the banks. They didn't care about the product's aesthetics. But if you give small businesses something beautiful, they'll appreciate that it's a unique product, something nice that looks good in their store” Here, Adolfo applied a key lesson he had learned from Luis Téllez during his time at Grupo Desc: deliver a product that excels both visually and in its internal quality.

Following the card cloning issue, Clip faced another serious challenge: being exposed as a target for fraud. “In Mexico, there's still a major

problem with card fraud, largely caused by the oligopoly in clearing houses and the deep dysfunction in our payment system,” Adolfo explains.

“The problem wasn’t just a simple case of fraud—it was that someone could launch an attack on the platform and steal hundreds of thousands of pesos very quickly, in a short time frame. So we had to figure out how to prevent fraud at a massive scale.”

Their strategy was simple but effective. For every transaction made through Clip, the merchant would swipe the card, ask the customer for their phone number, and enter it into the app. A message would then be sent to the customer’s phone for confirmation, completing the transaction. It might not sound like a highly complex security method, but it effectively prevented large-scale fraud, because pulling off an attack would require hundreds of cards and hundreds of phone numbers. “If we saw that verification codes for different cards were going to the same phone number, we’d block it immediately,” Adolfo asserts. With the introduction of chip-enabled cards, Clip eventually phased out that system, but “it was the key to scaling in the company’s early years,” Adolfo says.

A third challenge was that banks in Mexico didn’t want to work with them. They wouldn’t offer Clip a processing contract. As a result, the company had to connect with transaction processing services in the United States. Eventually, American Express became the first to give them a local acquiring contract, which allowed Clip to start processing transactions locally.

But what truly put the company at risk was the growth crisis that hit at the end of 2014. “We were so very close to running out of money, just weeks away from having even a single peso left,” Adolfo recalls. Drawing on the lessons he had learned from his mentor, Luis, Adolfo had to make tough but decisive choices, and Clip managed to overcome the period of uncertainty and continue growing.

Over the years, Clip established itself as the largest payment receiver in Mexico. “By number of merchants, we had already surpassed all the banks by a wide margin,” says Adolfo, referring to 2018. It was around this time that he began to realize Clip was going to be much bigger than he had ever imagined, it was going to be colossal. They could serve countless families, drive the country’s economic future forward, and explore opportunities to expand into new lines of business.

Clip had earned its place in the Mexican economy, growing at a steady pace of at least 12% month over month... but then the COVID-19 pandemic hit, and everything changed. The volume of transactions processed by the company began to drop—by 20%, 30%, even 40% each month. They entered a crisis. “I watched as the company slipped away. The period from March to July 2020 was incredibly tough, I truly thought we were going to go under,” Adolfo shares.

Mitigating the damage wasn’t easy. They had to lay off staff, launched products to help businesses process payments through WhatsApp, and raised additional funds. But fortunately, by August, transactions began to pick up again, and little by little, that difficult chapter started to fade into the past.

By 2021, Clip achieved a major milestone in its history: becoming the third unicorn in Mexico. However, Adolfo had no intention of announcing it or making it public. For years, he had felt that valuation was a vanity metric, so he didn’t see it as something worth broadcasting.

But his investors eventually convinced him. In the end, Adolfo understood that becoming a unicorn, as a metric, could help attract talent and signal to the market where the company stood, so he agreed. “I believe the relevant metrics are things like revenue, expenses, user count, customer engagement, employee and customer NPS, or

the return to your investors. All this unicorn stuff, it’s ego metrics,” Adolfo explains.

When it comes to education, Adolfo believes that attending a top-tier university isn’t a requirement for becoming a successful entrepreneur, but it does increase the odds due to the exposure to new technologies, job opportunities, and the network of knowledge you build through yourself and your peers.

“If I hadn’t gone to MIT, I wouldn’t have joined PayPal, and Clip likely wouldn’t exist.”

Adolfo admits he wouldn’t have been able to achieve what he has with Clip without having attended a good school. But he also acknowledges that many great entrepreneurs succeed without ever having to study abroad.

Presently, reflecting on the evolution of his product, Adolfo notes that Clip is increasingly being used in everyday businesses, whereas it was previously more common in bazaars or for higher-ticket purchases. “From that point on, the product began to penetrate: now you find it in coffee shops, on street corners, in small neighborhood stores, in so many places, and that’s what we want: for digital payment methods to become part of everyday life,” he stated in an interview with DPL News.



Regarding the desires that motivated him to become an entrepreneur, seeking greater freedom and promoting equal opportunity, Adolfo acknowledges that he hasn't fully achieved them yet, but he has made progress.

"Of the hundreds of thousands of businesses that use Clip every day, 80% of them used to accept only cash,"
Adolfo says.

And the most affordable Clip device currently costs just 149 Mexican pesos, less than 8 dollars. "And it offers more payment options than a supermarket chain. On top of that, users can accept remote payments from anywhere in the world, access credit, earn money by selling

services, manage their inventory, and publish their business online. All in five minutes, without paperwork or hassle. Not bad, right?" As for freedom in his own life, that too is still a work in progress, but he's gained far more autonomy over his time and decisions than he ever could have in a traditional corporate job.

Adolfo believes that what sets apart ordinary entrepreneurs from Outliers is the development of independent thinking, a strong capacity to deliver and work ethic. These qualities enable them to make decisions that often go against the grain, and succeed in their entrepreneurial pursuits.

"No matter if you're an Outlier in business, politics, or sports, these two traits are essential: thought and resilience. Brain and strength. That's where the key lies,"
he concludes.

TAKEAWAYS

- ✓ It's much easier to reach your goals when you know where you're headed. **Once you understand what you love and what you want to achieve**, start taking steps in that direction.
- ✓ If you haven't found what drives you yet, don't worry. **Make choices you truly want to make, seek out valuable knowledge**, and trust that the answers will come sooner or later.
- ✓ Most successful entrepreneurs **are fueled by a deeply personal reason**, often rooted in their childhood, origin, community, or the place they are from.
- ✓ Take advantage of opportunities and learn the most you can from mentors that cross your path. **Eventually everything is connected.**
- ✓ Managing people is by far the most important part of building a startup—and the key to long-term success. **Build a strong culture from day one.** As a founder, this is your most important responsibility.
- ✓ **Say things like they are:** to your team, to investors, and most importantly, to yourself.
- ✓ **Accept mistakes promptly and correct course**, no matter what it takes.
- ✓ **Develop and use a support network for yourself**, no entrepreneur makes it alone.
- ✓ The important thing is not unicorn status, funding or the company's valuation but metrics like revenue, expenses, number of users and the engagement that your clients have with you. **Everything else will follow.**
- ✓ When you receive a term sheet the most important things are the name (and reputation) of the investor, the terms and the valuation. **In that strict order.** Optimize for the first two. The valuation is secondary.



ALFONSO DE LOS RÍOS

Reinventing logistics for the love of software

A leap of faith

When he was just 21 years old, Alfonso de los Ríos was promoted to Product Leader at the startup where he worked while studying in a Stanford educational program. Before this achievement, the young Mexican had left his university and headed to the United States to forge his path, driven by his love for technology and programming. Taking that risk was a leap of faith that paid off.

With great talent as a programmer, Alfonso started, without realizing it, what would later become a unicorn company. He built software for several clients in his spare time, alongside his friend Max Casal, whom he met during a summer stint in the Stanford Designership program. Unexpectedly, his entrepreneurial side began to awaken alongside his friend, who would soon become his co-founder at Nowports, a software startup automating the logistics chain.

Soon, Alfonso found that the various experiences and observations he had gathered throughout his life were converging in his mind like puzzle pieces. With a family background deeply rooted in logistics and Max's prior exposure to the field, Nowports was inevitable.

It was only natural that the idea of venturing would manifest itself sooner or later. And the opportunity arose to start a business in an industry that, for many, was not so

attractive: logistics. While logistics wasn't inherently captivating to him, Alfonso quickly realized its vast scope and significance. After all, nearly every business worldwide relies on logistics in one way or another.

Alfonso discovered significant promise in starting a business in this industry. He developed a highly intriguing service with a functional and remarkable innovative product, to the extent that his initial clients were utterly fascinated when using it.

Following the creation of this solution, Alfonso faced a pivotal decision:

Should he remain in his job, with its financial stability and potential for advancement, or take the leap of faith to fully pursue his entrepreneurial endeavor?

Alfonso had his doubts. He had an apartment to pay for while residing in a foreign land; many at his age would have chosen the safer path. However, he stood apart not only because of all the potential he had as an entrepreneur and programmer at that time, but also because of his drive, willpower, and the immense energy he put into everything he did. He had taken a leap of faith

before moving from Mexico to the United States, so he wanted to see what else he could accomplish if he kept that momentum going. With adrenaline making his heart race a mile per minute, Alfonso left his job and ventured to start what would become one of the most beautiful stories of his life.

Currently, Alfonso de los Ríos holds the position of CEO at Nowports, the leading digital freight agent in Latin America. In less than 5 years since its founding, the company has reached a valuation exceeding one billion dollars and has become Mexico's eighth unicorn. Nowports innovatively merges logistics with financial and technological solutions to ensure cargo is moved efficiently, transparently, and securely.

Alfonso's journey in entrepreneurship led him to join Y Combinator, one of the world's foremost startup accelerators. He has also been recognized on Forbes' list of the top 30 young entrepreneurs.

Though his journey hasn't been easy, Alfonso fondly recalls the leap of faith he took at the age of 21. He acknowledges that this decision marked a turning point in his life.

Known as Poncho to many, including in the corporate world, he starts his day at 5:45 a.m., engaging in meditation and cold showers. He is also fluent in three languages. He has read over 30 books in a year and constantly strives to surpass that annual record. Determined to defy the stereotype of being athletically challenged, he started running, losing over 17 kilograms through sheer dedication and hard work.

A curious mind

Alfonso doesn't consider himself the brightest or most technically savvy person; rather, he sees himself as driven by an insatiable curiosity. Since childhood, he has shown a keen interest in understanding the world around him. If something puzzled him, he investigated until he understood all he could.

He was born and spent much of his life in Monterrey, Nuevo León. Growing up in a middle-class family, he experienced neither excessive luxury nor deprivation. His father and grandfather owned a bottle factory, providing Alfonso with his first exposure to traditional entrepreneurship.

Unfortunately, Alfonso's life took a turn when his grandfather fell ill. Little did he know this event would trigger a series of significant impacts. Without medical insurance, the family had no choice but to sell the factory to finance his grandfather's treatment.

And so, the tide began to turn. The family found themselves in a position where they had to sell their home and relocate from the city. Three extremely tough years during which Alfonso recalls how, from the age of 6 to 9, they went from a peaceful middle-class life to a rather unstable situation.

During that challenging time, in their quest for financial stability, Alfonso's mother embarked on entrepreneurial ventures; she sold Avon and Mary Kay products and established a conventional logistics company, providing Alfonso with invaluable insights. Meanwhile, his father took on various jobs, including roles in restaurants, until he could resume his legal career. Alfonso witnessed firsthand the transformation his parents underwent, transitioning from relative stability to forging their paths in business. This period of change shifted Alfonso's perception of life.

Certainly, he gained considerable exposure to logistics matters through his mother's endeavors. When she entered the industry, she lacked knowledge about logistics but recognized its potential as a lucrative business and sought to learn from

scratch. As Alfonso would later do, she had studied programming, something seemingly unrelated to that field of work. Curiosity was a source of motivation for delving into such diverse businesses. With her versatility, she taught Alfonso that people are more than the professions they pursue.

From a young age, Alfonso had a clear vision: **when asked about his aspirations, he consistently expressed a desire to become a programmer.**

He had no doubts about it. Reflecting now as a successful entrepreneur overseeing a sizable company, Alfonso recalls always envisioning himself in a role developing software, though he hadn't anticipated fully embracing his extroverted leadership qualities. Life would reveal these aspects in due course.

Alfonso's love for programming began when he turned 12, during a time when his family's financial situation was improving. While traveling with his parents to California, he was introduced to the world of software for the first time, and he was immediately fascinated by it.

Alfonso returned from his trip and developed an interest in programming. Initially, he relied on YouTube tutorials for free education

on his new passion. However, the only inconvenience was that everyone in his family shared a single computer. His parents noticed his enthusiasm and gifted him his own computer in December.

With his new computer, he started using his spare time to create video games, **which marked the beginning of his journey in software development.**

Alfonso's parents decided to give him a special gift for his 15th birthday: a summer studying programming at Stanford University in the United States. This opportunity proved to be a turning point in his life, as Alfonso excelled in the course and became one of the top students in his class. During his time at Stanford, he met many great professors and individuals who would later guide him on his entrepreneurial journey. One of these individuals was Esther Wojcicki, a prominent American educator and journalist who stood out among the rest.

After completing the course, Alfonso maintained regular contact with Esther. He was always eager to learn and sought her guidance on what he should do and where he could continue to learn. Esther would provide him with advice and even send books to Alfonso's parents' home in Monterrey, Mexico.

Alfonso launched his first startup, Lookat, during high school. Although it was a food delivery app that didn't succeed, it allowed him to test himself as a programmer and get a grasp of the fundamentals of how businesses worked. It was his first attempt at entrepreneurship, and although it wasn't a success story, he learned a lot from it.

After high school, Alfonso decided to pursue a degree in Computer Science at the Universidad de Monterrey (UEM). He was driven by his aspirations for the future and all the things he could learn.

However, he quickly became discouraged by the degree program. Looking back, he's not sure if his disappointment stemmed from the quality of education or from the fact that, by that point, he no longer enjoyed being told how to program. He wanted to do it his way. For the first time, he had an existential doubt.

“Should I keep studying this?” he wondered, looking at himself in the mirror.

He had barely been in college for four months and was already feeling overwhelmed. He decided to confide in Esther about his situation, to which she responded:

“Alfonso, if you’re not enjoying this experience, consider coming to California.”

At the time, Esther was involved in an educational initiative called Stanford Designership, which aimed to shape the future of higher education.

Alfonso would need a student visa if he chose to leave Mexico, so she extended a scholarship offer to him.

At the young age of 18, Alfonso stood at a crossroads. He was on the brink of quitting university and departing his country to seek his fortune in the United States. That was his first major leap of faith. He had no way of knowing it, but later on, life would reward him for the confidence he had in himself.

Working at a startup and the birth of Nowports

Alfonso’s journey from Mexico to the United States was challenging. Upon his arrival, he faced the daunting task of securing a job, he looked at several startups in an unfamiliar environment. He had to work tirelessly to prove himself as a skilled programmer.

Alfonso’s determination paid off when he secured a job at Yewno within a month, a startup working with artificial intelligence to build knowledge and structured information from diverse types of data. Despite initially being hired as an intern, luck was on his side when they said, “Look, we’ve got all our bases covered. However, our CEO is directly overseeing a project where you might fit in as a programmer. What do you think?”

That turned out to be a stroke of luck for Alfonso because it brought him close to the CEO. Not only did he

learn valuable lessons from him, but his boss quickly recognized his aptitude as a software engineer and held him in high regard. Alfonso was involved in a project that analyzed real-time news to forecast the potential impact of certain events on specific investments. The project thrived, leading Alfonso to transition from an intern to the leader of the product.

Around the same time, Alfonso and Max Casal were establishing their software workshop for various clients. Given their shared background in the logistics industry, they saw the potential to venture into digital logistics. So, they developed the initial version of their software with the same dedication as if they were crafting a solution for any other client.

Despite their eagerness to embark on their entrepreneurial journey, it's noteworthy that neither of them held a strong affinity for the logistics industry. Alfonso and Max recognized its vast scale and global influence. However, they were deterred by its manual and bureaucratic nature. Instead, they focused on developing a product to provide visibility for companies unsure of their cargo's whereabouts. They aimed to deliver value to clients seeking assurance about their containers' locations, whether in ports, at sea, or across continents.

Alfonso admits that at that time they didn't have a clear understanding of the size of the market they were facing or whether their startup would indeed launch through this product.

When the two entrepreneurs went out to pitch their product to a company, attempting to validate their creation in the market, the reception was overwhelmingly positive. Clients grasped the significance of their offering. Their expressions ranged from disbelief to admiration. It was as if they couldn't believe that two young individuals could provide such a precise location of where their cargo was.

After returning from that successful sale, Alfonso and Max realized that they had the chance to make a significant impact despite logistics not being the most exciting or glamorous industry. They recognized how intertwined logistics is with various sectors, understanding its vital role in sustaining businesses. While not passionate about logistics per se, they were passionate about the industry's potential to drive change across sectors.

From that point, their ambition for Nowports was truly ignited. Recognizing the potential of their product, they sought to explore further customer needs, investing more effort into their venture. This marked the shaping of Nowports.

Alfonso took the bold step of resigning from his position at Yewno, believing that he needed to commit completely to Nowports for the company to thrive. It was a risky move, but he was convinced that half-hearted efforts would lead nowhere. Simultaneously, Max also parted ways with his job without letting Alfonso know beforehand, as he too had committed to nurturing the startup.

From the beginning, their primary focus was on driving sales to generate revenue. Together, Alfonso and Max had roughly \$12,000 in savings, sufficient to sustain them for about three to four months.

With this short timeframe to establish profitability, it was clear that merely having a stellar product wouldn't cut it; they also needed to have a pipeline of potential clients from day one.

In the early stages of Nowports, they anticipated that their clients would primarily consist of small and medium-sized businesses engaging in e-commerce activities. However, their assumptions proved to be incorrect. Larger corporations faced more significant challenges to address, particularly in transporting substantial cargo volumes. Nowports found itself positioned to assist these corporations with their entire logistical process.

Of course, becoming adept at the sales process didn't happen overnight for Nowports.

Alfonso reflects,
**“Our strength lay
 in recognizing what
 areas were not our
 strengths.”**

During those initial months, they brought in two new members to the team, Gil and Gabriel, who had more outgoing personalities and varied skill sets compared to Alfonso and Max. These new team members took on the task of reaching out to companies, engaging decision-makers, and securing opportunities to showcase the product. Following this outreach, Alfonso and Max took the reins in attending meetings to negotiate and close deals.

As time passed, Nowports began to obtain its initial clients and expand. However, securing funding became crucial for ensuring the business's financial stability. At just 21 years old, Alfonso ventured into the process of applying to business accelerators, such as Y Combinator, one of the world's largest and most influential.

Even though he was nervous refining their pitch and during interviews, Alfonso persevered. While he harbored hopes of Nowports being accepted by Y Combinator, he didn't want to rely solely on that outcome. Nevertheless, he dedicated himself to hard work, thorough preparation, and meeting all the traditional steps for securing funding, all while maintaining optimism about his startup's prospects. Eventually, their efforts paid off with their acceptance into Y Combinator.

Following their leap of faith, quitting their jobs, and staking everything on their venture, Alfonso and Max secured \$150,000 U.S. dollars in funding to fuel further growth. This marked a major milestone for Nowports, yet they still had a long, challenging road ahead, with many more accomplishments awaiting them.

Alfonso de los Ríos



Alfonso co-founded **Nowports** with Max Casal.

2018



Nowports grew from 2 to 50 employees within a year.

2019



2019

Nowports was accepted into Y Combinator and raised \$150,000 in seed funding.



2020

The COVID-19 pandemic disrupted global logistics, and Nowports faced a financial crisis in December.



2022

Nowports became a unicorn, reaching a valuation of **\$1.1 billion**.

2021

Nowports recovered and expanded its operations to Colombia, Chile, and Uruguay.



Business consolidation and Alfonso's growth

Over the next three months, Nowports experienced significant positive outcomes. Out of the 200 startups that received investment from Y Combinator that year, Nowports ranked second in terms of growth. Their success was attributed to their clear understanding of their target customers and the refinement of their product.

Following those outcomes, Nowports raised \$8.6 million in seed investment; from the initial \$150,000 they received, they found themselves with a significant pool of capital at their disposal. At that moment, they knew, "We have the opportunity to step up to the big leagues. "

In 2019, Nowports experienced significant growth in its second year. "It felt like sprinting without looking around," Alfonso describes. They had boarded a fast-moving train, barely able to keep up with the day-to-day frenzy.

"It was a productive chaos," he admits, as they expanded in numbers, expenses, and staff. **"A chaos that turned out well."**

Starting with just two people in January 2019, Nowports had expanded its workforce to fifty by the end of that year. They went from zero to one hundred almost instantly; Alfonso believes it

unfolded as it should have, though he acknowledges that despite the growth being positive, it was an incredibly challenging year.

Then, 2020 came, and the world was brought to a standstill by the pandemic. Nowports felt the impact a bit earlier due to its primary imports originating in China. By December 2019, despite ongoing growth, they noticed discrepancies in the company's figures; there was something wrong with China's economic activity. January and February proceeded as usual, but when March arrived, everything crashed down, along with the spirits of the entire Nowports team. Overnight, all clients ceased importing due to the uncertainty surrounding the pandemic's trajectory.

The 60 Nowports team members transitioned to remote work rather than going into the Monterrey office. Additionally, Max, Alfonso's partner, relocated back to his home country, Uruguay, resulting in Nowports having both of its founders operating from different countries. While navigating through the crisis presented significant challenges, eventually, circumstances improved.

By the end of July 2020, this difficult phase for the business came to an end as the logistics sector experienced significant growth. There was such a large demand for Nowports' services that

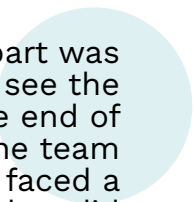
they expanded their presence to include offices in Colombia, Chile, and Uruguay, all within a single year. As 2020 drew to an end, they had a workforce of 100 individuals operating across four different countries.

Alfonso was on the brink of encountering one of his toughest challenges as an entrepreneur, a pivotal obstacle that risked shaking him emotionally: what he refers to as the “dark December” of 2020. During that month, logistics prices had risen dramatically, escalating from \$1,000 per container to a staggering \$18,000.

At first, they believed they could manage that scenario smoothly, but during that December, they faced a significant spike in cargo requests. A considerable number of their clients sought credit terms, a practice Nowports usually accommodated by offering and funding services, handling container movement, and then receiving payments up to 60 days later. However, with the substantial increase in logistics prices, they soon recognized this misstep.

They turned around, assessed their financial situation, and were shocked to find themselves with no money left. This alarming revelation hit them on December 22nd. They had been extending credit to their clients as if container transportation still cost a mere thousand dollars, but were now facing financial suffocation. Alfonso acknowledges that, although

they confronted even tougher challenges in the years ahead, that particular week stood out as one of the most mentally taxing of his life. At Nowports, they were unprepared for such overwhelming stress, and it marked the first time they encountered such a predicament.



The worst part was they didn't see the light at the end of the tunnel. The team at Nowports faced a challenge as they did not have a financial expert on their team.

Alfonso admitted that things had been going smoothly until then, given the industry's growth and ample capital. However, they had now hit a major obstacle and needed to demonstrate their ability to navigate through it.

Alfonso, Max, and Gabriel understood the severity of the situation but made sure not to spread negativity to the rest of the team. They gathered, expressed their frustrations, and then collectively decided it was time to take action, viewing it as their only option to avoid financial ruin. Alfonso emphasizes the importance of having a supportive inner circle during critical times.

Alfonso reached out to investors to explore loan options, Gabriel contacted clients to identify those able to pay before their credit terms expired, and Max engaged

in negotiations with shipping companies to extend payment deadlines for Nowports. Each took on specific responsibilities, focusing their efforts entirely on addressing the crisis.

“I barely recall Christmas or New Year’s,” reflects Alfonso on the intensity of that challenging week.

Luckily, the circumstances turned out relatively well. An investor extended a \$20 million loan that needed repaying within 20 days, enabling them to weather the storm. The intense pressure of that dark December lasted just over a month. From that crisis, Alfonso recognized many areas that could use some improvement, such as client and shipping terms; each minor detail, every modest agreement, ultimately held significant weight, and it was something he remained vigilant about in the years that followed.

“At the end of the day, as the company expands, daily challenges multiply,” Alfonso reflects.

Nowports continued its development, encountering fresh challenges and triumphs along the way. In 2022, they successfully secured \$150 million in capital, resulting in a valuation of \$1.1 billion.

For Alfonso, the moment when their

company achieved unicorn status was quite remarkable. He celebrated it greatly; as a founder, he felt a sense of pride, and they capitalized on the announcement of their valuation to promote the company extensively. However, he soon realized that not much had changed at Nowports. They continued to face the same problems and the same needs.

The only difference was that now, due to the trade tensions between the United States and China, they had to adjust their business strategy, focusing on acquiring clients in Europe. These additional challenges on the horizon have forced Nowports and Alfonso to rethink their approach.

The key to Alfonso’s growth as an entrepreneur had a lot to do with his willingness to change many of his established routines, largely prompted by his experiences in December 2020. Moving away from a more informal circle of trust, he chose to formalize these relationships with many mentors he encountered along the way.

Now, he has a business coach and a psychologist who help him regulate himself as a person and leader.

Another important element was his decision to start exercising for the first time in his life. Alfonso had always considered himself bad at sports, and that his forte was



computers, but over time, Alfonso has actively worked to discard these self-imposed limitations.

“If I consider myself slow, I try to be faster,” he explains.

Alfonso began running, viewing it as a personal challenge to reshape his self-image, and discovering in sports a means to uplift his spirits. His inaugural milestone was completing the Monterrey half marathon in 2023.

One motivation behind this decision came from Facebook founder Mark Zuckerberg, who, in recent years, has dived into sports like Jiu-Jitsu and even secured gold medals. Alfonso says that, like Zuckerberg, he desires to excel in areas beyond business.

As the founder of a startup, it has been tough for him to “let go of his Legos”; in other words, he has to stop doing the things he enjoys the

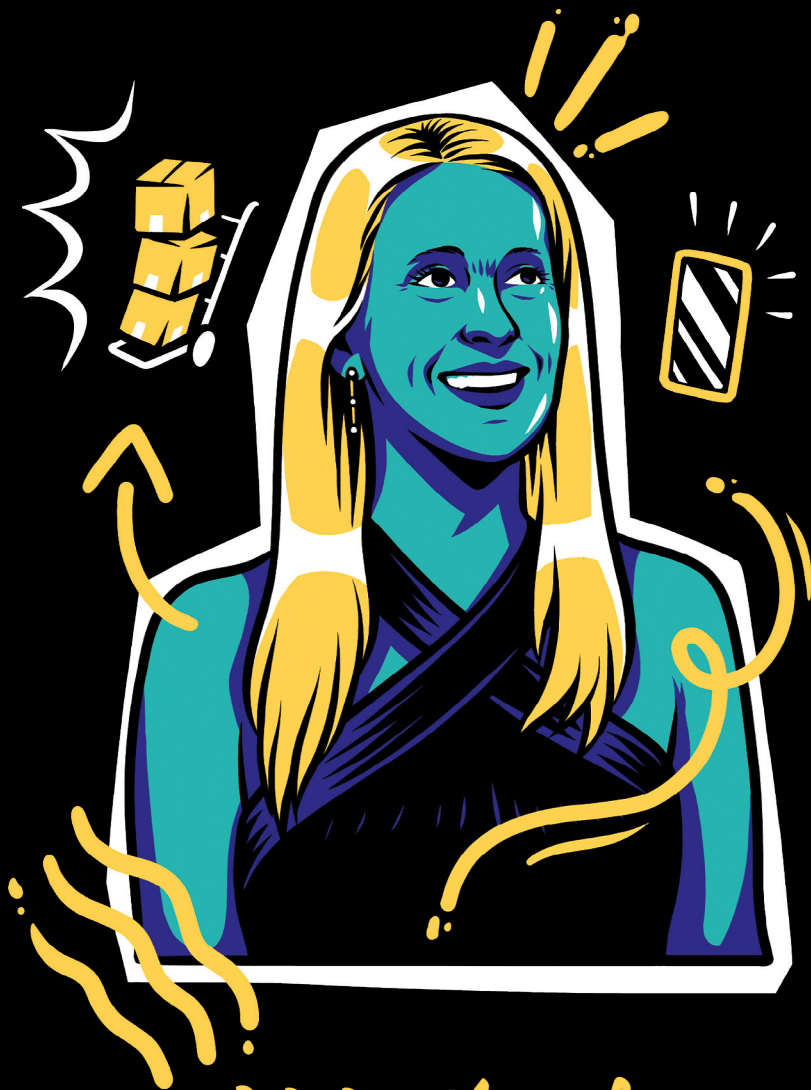
most and focus on activities that would have the greatest impact on the company. This lesson is something he learned from Paul Graham, the co-founder of Y Combinator.

“Yes, I enjoy programming, but as CEO and founder, I want Nowports to grow. Perhaps programming isn’t where my focus should be,” he explains.

In 80 years, he envisions himself still working with Nowports, but he wants the company to be something very different than what it is today. He aspires for Nowports to evolve beyond its current state, diversifying into various sectors beyond logistics. He perceives the myriad of products and enterprises that can sprout from Nowports’ foundational concept as its unique advantage. After all, they have already introduced services like financing, cargo insurance, and even international payments, all within the logistics domain. To him, Nowports serves as a conduit for innovation, entrepreneurship, and experimentation in the future, as the logistics industry, although it will undoubtedly continue to evolve over the years, will never cease to exist.

TAKEAWAYS

- ✓ People are more than their professions. **Don't be afraid to explore different sectors** than the one you studied if that's what you desire.
- ✓ **Make the most of experiences and opportunities.** Give it your all and build genuine connections. Hard work will make you stand out, and those relationships can be crucial for your future endeavors.
- ✓ **Seek out challenges.** Even if you don't succeed, you'll learn a lot from the experience.
- ✓ **Curiosity and a desire to learn** can take you further than intelligence or technical skills.
- ✓ **Validating your product in the market is crucial.** The sooner you do it, the faster you'll receive feedback that will help you improve what you're offering.
- ✓ **Be open to the idea of venturing into a less glamorous industry or area.** You might find a solution to a problem that affects many people. Allow yourself to fall in love with the impact you can make, even if you're not so passionate about the industry.
- ✓ Being an entrepreneur is a never-ending journey; **you must accept that you'll constantly need to prepare yourself** in leadership and business matters because as you grow, so will your business.
- ✓ As the company grows, it faces more challenges. Entrepreneurs must prepare for that because **things never get easier.**
- ✓ When a crisis strikes, you have great opportunities to rebrand yourself. **Don't be afraid to change your habits and improve your lifestyle routines.**
- ✓ Dare to **overcome the personal labels** that have been imposed on you or that you have assumed.
- ✓ You may have to stop doing the things you enjoy most if you want to make your company grow. **Focus on where you can have the most impact**, and let go of your Legos.



ALLISON CAMPBELL

Discovering a bright opportunity
in emerging markets

A glimpse into the future of the world

Allison Campbell had always dreamed of traveling the world, and she had certainly achieved it. Despite her humble beginnings, living in a quiet lakeside house in the suburbs of Detroit, Allison had managed to open doors that allowed her to explore and discover what lay beyond her home and her country's borders.

She had the opportunity to go to China while working for Walmart, one of the largest companies in the world. There, she made a completely unexpected discovery. A serendipity. She realized that there was something incredibly powerful she could tap into in the future, if she made the right decisions.

Allison felt like she was living ten years in the future while in China. It was 2015, and it seemed like everyone in China had their own smartphone. No matter where she looked, there was always someone on their phone. That's when she realized she was witnessing the future, a massive wave that was going to transform the world, especially emerging markets.

“Because everyone was going to have a smartphone, and that would lead to new networks and marketplaces... To buy things and find better jobs,” Allison explains.

Even though she held a good job and was living her dream of traveling the world and making an impact, she knew that powerful wave of change was going to shake up economies. And she wanted to be right there, riding the wave, building her own digital business. A company that could help people in emerging countries transform their lives through their smartphones.

But she wouldn't do it in China. From a very young age, she had known exactly where she wanted to live. Her eyes were set on Mexico: a warm country she had come to love, where she believed she could soon become the best version of herself; bolder, more resilient, and more mature. The rest is history.

Eight years after that unexpected discovery in China, Allison is now the co-founder of Zubale, a platform that helps brands and retailers succeed in e-commerce through technological solutions. Zubale allows businesses to connect with independent workers and collaborators through its app, offering employment opportunities and a variety of solutions in the regional market by strengthening the gig economy. Its headquarters are in Mexico, but the company has expanded to Brazil, Chile, Colombia, Costa Rica, and Peru.

Childhood, Dreams, and the Path Before Becoming an Entrepreneur

Allison's first dream as a child was to become a soccer player. "In the United States, it's a very popular sport, especially among women," she says. But like any child, her dreams began to evolve. She took part in numerous musicals and plays throughout her childhood, and eventually found herself saying she wanted to be on Broadway.

But soon, she connected with the dream that would later drive her to take bolder decisions. She wanted to make a meaningful impact on a global scale. That had already become her goal during high school. However, paying large sums of money just to go abroad wasn't an option for her.

"I was always thinking and looking for opportunities, grants, scholarships, and programs I could get into,"
Allison says.

Even though she didn't have the resources, she realized that it was truly possible to open all kinds of doors if she kept participating in competitions to go abroad.

Her parents had a significant influence on her. Her father was also an entrepreneur, he had built his own insurance and financial planning company. "He spent his whole life

running his own business, working from home and traveling," Allison recalls. "Mom worked in sales before we came along."

Her mother, much like Allison would later do, won many awards that allowed her to see the world. She traveled through China, Switzerland, and various other countries, and Allison grew up listening to those stories and seeing at home all the little souvenirs her mom had brought back from her journeys.

"One very important thing about my parents is that they always valued experiences over material things,"
says Allison.

She recalls a time when they chose not to buy a new car because they decided instead to take a family ski trip to visit her uncle in Colorado, on the other side of the country. "It was tough. We used the train for one year, but we always placed value on experiences." Allison grew up in a cozy home by the lake in the suburbs of Detroit. She shares that her parents didn't want a big house, just one where the family could feel comfortable.

Her first exposure to the Spanish language was at school, where she learned about Hispanic culture and realized she wanted to keep exploring those topics. At one point, after her family experienced issues during a flight, an airline compensated them with a trip to Puerto Rico. With some basic Spanish under her belt and a phrasebook filled with common expressions and idioms, Allison and her family thoroughly enjoyed the experience.

When she turned 14, Allison earned the opportunity to visit Mexico City by joining a leadership program. It was her first trip outside the United States, alongside people from different parts of her country.

“It was a time of great freedom, to explore and experience the culture,”
says Allison.

During the trip, they visited the National Autonomous University of Mexico (UNAM), met families from Honduras who had migrated in search of a better quality of life, and immersed herself in Latin culture.

“I ate incredible food. Real Mexican food,” says Allison. She also learned to dance salsa and considers herself a lover of that style of music. From that experience, Allison shares, she felt inspired. She wanted to become fluent in Spanish, and her goal was to build a bridge between

different cultures. “I also wanted to work to reduce the inequality I saw, and especially to empower women. I thought, ‘I’m really lucky to have been born in the United States, but I want to make a global impact’” she says.

Although at first she had considered studying Biology so she could later finish her education becoming a doctor, that trip to Mexico led Allison to pursue a degree in International Relations instead. She also soon realized that she didn’t see herself working in hospitals.

After graduating, she worked for five months at the World Bank, in the department focused on Southeast Asia. “But for me, that experience felt very slow,” Allison says. Especially because the idea of entrepreneurship was already on her mind. “Why don’t I try starting a business?” she would ask herself.

Then she arrived at Walmart, where Allison had the chance to work in countries like China and India, while also focusing on the company’s international strategic initiatives. “It was a time, especially in Asia, when I saw there were so many opportunities in the digital space,” Allison reveals.

“I wanted to build a business, but I also felt I needed to learn more about entrepreneurship. To take off my corporate glasses and explore, and also to invest in myself and in my leadership.”

By analyzing the massive adoption of smartphones in China and across Asia, Allison knew it was only a matter of time before the same would happen in Latin America.

Tech companies like Uber already existed and were experiencing rapid growth, so she understood that she could create a similar business model, one that would bring real value to emerging countries.

While still working at Walmart and living in India, she took a bold step and launched her first business, it was a bakery. She asked the CEO of Walmart if she needed any permissions to get started, sought advice from experts in the U.S. on how to structure her company, and then began sourcing suppliers and designing the products they would offer. Later on, she worked directly with various stores to which she distributed bread, standardizing both the suppliers and the recipes.

This helped reduce waste and boosted sales. She also took charge of marketing, creating ads and commercials that were even shown in movie theaters.

“It was like going from 0 to 10. I was fascinated by building something from scratch,” says Allison.

Each experience she had at Walmart also allowed her to continue growing and deepening her understanding of how international markets worked. She ended up working with every one of the 24 countries where Walmart operated at the time, including Mexico, Costa Rica, and Japan.

Allison worked for eight years before deciding to pursue an MBA. The idea of studying at Harvard had always appealed to her, but she didn't commit to it until a mentor of hers encouraged her to go for a master's degree.

—You have a lot of experience, Allison, but you need to broaden your perspective. You need new tools — he told her.

And while she doesn't believe that studying at Harvard is a necessary requirement for success, Allison says it was a great experience.

“It was an excellent time to shift my perspective, to have two years just for myself. I love learning,” she says.

At Harvard, Allison was able to learn from hundreds of entrepreneurial success stories and the decision-making behind them. “I loved it because every day in class, you’re learning from the experience of a real person,” she says. Thanks to that practice, she was better equipped to make better decisions when it was her turn to step out of the classroom and into the arena on her own path as an entrepreneur.

At Harvard, she also had the chance to expand her network. Her perspective grew as she met people from many different countries around the world.

Most of them, Allison says, **were deeply excited about the idea of building solutions that don’t yet exist.**

She believes it was an incredible learning journey that allowed her to prepare before taking the leap. Since the entrepreneurial path is full of highs and lows, her time at

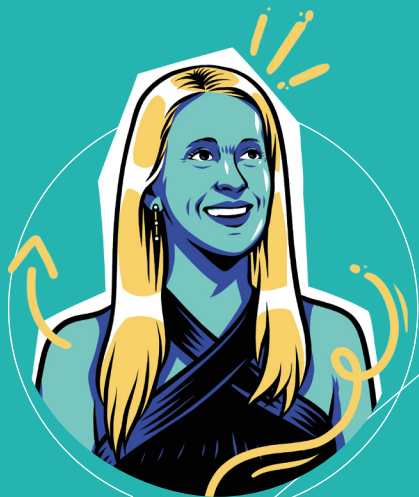
Harvard gave her access to a strong support network she could turn to whenever she had doubts about how to move forward, from classmates to professors.

But that wasn’t the only thing she found at Harvard. On the first day of her masters, she noticed someone wearing the exact same round glasses she had. They took a selfie together. That person was Sebastián Monroy, a young man from Colombia who had lived and studied in Mexico, and who would eventually become the co-founder of Zubale.

A pair of glasses sparked their connection, but it was their shared goals that brought them together.

Sebastián knew the Mexican market well and also had a deep love for the country. During their final year of the MBA, he and Allison realized they shared the same post-graduation plan: to go to Mexico and build a company. From that point on, they began working together on the ideas they could develop.

Allison Campbell



During her MBA at Harvard, she travels to Mexico City and decides to create **Zubale** with Sebastián Monroy.

2017



2018

Co-founds Zubale in Mexico to help retail companies in the e-commerce sector.

2015

Allison identifies the potential of smartphones in China while working at Walmart.



2020

The pandemic accelerates Zubale's growth, focusing on the retail and e-commerce sectors.



2021

Zubale **expands** to Brazil, Chile, Colombia, Costa Rica, and Peru, solidifying its presence in Latin America.



Birth and Growth of Zubale

In 2017, during their masters, the students traveled to Mexico City to meet Harvard alumni and conduct focus groups in an effort to understand how the market was operating.

That's when Allison and Sebastián realized that a very high percentage of the population in Mexico also had smartphones, but there were significant issues, such as limited access to bank accounts or credit.

The country's middle class was growing, and many people were interested in finding ways to earn additional income. As Allison and Sebastián continued analyzing the numbers and data they gathered from Mexico, the answers became increasingly clear in their minds.

They came up with the idea of connecting middle-class individuals who owned smartphones with various types of jobs and tasks. Through technology, they could create a marketplace where the types of work would shift based on the needs of their clients: companies.

Allison loves emerging markets. "There's something in my body that feels like it's an adventure. That you can live the culture instead of just visiting... And for me, I want a life that's interesting, where I'm exploring different cultures in my everyday life," In emerging markets, she explains, it's possible to make a bigger impact than in countries like the United

States: "There's still a lot to do there, but it's more about refinement. Many problems are already being solved. But in emerging markets, there are huge challenges that need solutions, like in healthcare and financial access. And I believe technology can make that possible."

In any case, Allison had already defined returning to Mexico as both a goal and a lifelong dream.

"I always wanted to be here, speaking Spanish fluently, dancing salsa, enjoying amazing food, and I'm very happy to be building my company here and enjoying Mexican life," she assures.

In 2018, after finishing their masters degree, Allison and Sebastián began their adventure in Mexico. They ran numerous tests to understand what types of tasks could truly add value for the companies they were connecting with. As they progressed, they evolved from simple jobs, like taking photos of products on promotion, to more physical tasks, such as going to stores to stock shelves or picking up items from storage and delivering them to customers' homes. Little by little, they refined the services they offered both to independent workers and their business partners. And that's how Zubale was born.

Later, they identified an opportunity in e-commerce, a sector that was already experiencing significant growth. However, with the arrival of the pandemic, everything skyrocketed. A large number of retail companies needed help with the picking process, the preparation of customer orders.

“At that moment, we pivoted the business to focus solely on this area. Now, we’re a company that helps retailers win in e-commerce, to grow their sales and improve customer experience through our technology,”
Allison explains.

They’re also launching new products to enhance the customer experience. With Zubale, users can track their deliveries in real time and chat with the person handling their orders, very similar to how Uber operates.

Allison says that starting their business in Mexico wasn’t particularly difficult. She and Sebastián surrounded themselves with people who could offer the best possible advice, from building the company to structuring what would become Zubale. One challenge, Allison admits, was hiring their first engineers.

“You want to recruit leaders for your team who also want to build, who want to be at the same stage as you, I think this is really important in your hiring process, because you might bring in someone with a lot of experience in tech companies, but not necessarily someone that can be at a company at 0 and take stay until it reaches 100. The first people on your team are crucial” says Allison.

When Allison arrived in Mexico, she still wasn’t fluent in Spanish, but that didn’t stop her. She went out herself to pitch the platform, speaking in English or Spanish with the help of a digital translator. She knew she would make mistakes, but she pushed forward. “I’m going to go for it,” she told herself. “I’ll bring a lot of enthusiasm and energy to every conversation.” Little by little, and thanks in part to the network she had built at Walmart, Zubale began receiving its first approvals.

Just like Allison had with Walmart, Sebastián also brought experience from working at a major company, P&G. Both had internalized in their DNA certain practices and habits from their former jobs, and they knew they had to apply some of those lessons to Zubale. But they also understood that building a startup would be a different journey. It was more about mindset, about how to make decisions in times of crisis, how to collaborate effectively when challenges arose...

Additionally, the culture in Mexico was very different. People were kinder, more open, and personal relationships played a much more important role. Allison had to learn cultural nuances. For example, during a sale or negotiation, Mexicans would say “Thank you very much” when they didn’t want to move forward with a deal, something that confused her at first.

“Mexicans don’t say no,”
she says.

She explains that in the U.S., when someone is worried, the response is often to push them to keep going and work through it. But in her new country, expressing concern is more like raising a flag, there’s more empathy.

Allison admits that sometimes she wonders what she’s doing building a company in Mexico, where she still hasn’t fully mastered the language. She’s had to face many challenges, but by putting herself out there and selling, trying to make her way, and building something big, she’s been able to make progress on one of her life goals: becoming fluent in Spanish.

Allison has always been a persistent person. For her, it’s essential to practice a daily habit that helps keep her spirits high and her energy positive.

“Startups are a rollercoaster. You have highs and lows, but if you stay steady, in the middle, you’ll be okay,”
she advises.

In conversations with major clients, there have been times when things weren’t working, when there were doubts about pricing negotiations, and when she felt heavy pressure on her shoulders; What helps her get through those moments is visualizing that it will all pass, that the negotiation will eventually flow, until it does.

She’s also learned the importance of having the right people in the right roles. On several occasions, she experienced ongoing issues in certain positions, until she replaced the person in the role, and everything improved.



“Finding the best person to manage that kind of position is a learning process. It makes you ask: ‘Why did we suffer for so long without making a change earlier?’”
says Allison.

Recognizing when something isn't working and making timely adjustments is critical in startups.

Allison advises new entrepreneurs to spend a significant amount of time with the person they plan to build something with, to get to know each other well. “It's a relationship you need to care for and protect,” she says. During the MBA, both of them learned about each other's personal stories and even traveled together. Although they weren't 100% sure it would work, they felt ready to take the leap.

TAKEAWAYS

-  If you have the opportunity to be in a different market or country, analyze the trends and practices **that have the potential to expand to your region and create significant impact**. You'll be able to get ahead and start building something valuable.
-  If you want to achieve a dream, explore the different **options within your reach**. Money isn't always the answer. To travel the world, for example, it's possible to participate in different programs.
-  **Master's programs are important opportunities to take off the corporate glasses and put on the entrepreneur's**. They allow you to learn about successful business cases, expand your network, and broaden your perspective.
-  The experiences we gain in corporate jobs provide future entrepreneurs with **valuable knowledge that can later be applied to their own businesses**.
-  In emerging markets, it's possible to generate a greater impact **than in developed countries**. While in the United States many problems are already being solved, in Latin America there are massive needs that have yet to be addressed by entrepreneurs.
-  **The first people you bring into your team are very important**. They should want to be in the building stage. In these cases, it's not so relevant whether they have a lot of experience in large companies, what matters is their attitude.
-  **It's important to have the right people in the right roles**. Evaluating when something isn't working and making adjustments is critical in startups
-  **Invest time in getting to know the person you want to start a business with**. Talk about your personal story and discover theirs. It doesn't guarantee 100% that you'll work well together, but it will help you know if you're truly compatible.



CARLOS GARCÍA

Much more than selling used cars

The unexpected moment when it all began

Anyone would think that the seed that gave birth to Kavak – the largest marketplace for buying and selling pre-owned cars in Latin America – was a great idea, almost miraculous, that appeared after the founder invested many hours thinking about different ways of entrepreneurship. However, this was not the case. The truth is that it all started the moment Carlos García, its co-founder and CEO, was swindled.

He ended up creating a ten-page document where he broke down a project that he still didn't understand, but that would end up becoming a billion-dollar enterprise.

“If I had to redesign my experience selling that car, how would I have done it?”
he wondered.

At the time, Carlos was looking to move to Mexico after spending some time living in Colombia, so he needed to sell his car.

“When I tried to sell it, I got ripped off,”
he says.

The process was a disaster. Not only did he lose money, but he also felt extremely frustrated. That frustration would turn the creative gears in Carlos' head, resulting in the creation of one of the fastest growing technology companies in Latin America over the last decade.

Appalled by the scam he had suffered, he was driven to write down ideas during his flight from Colombia to Mexico to create a business model that would make the process of buying and selling used cars transparent and that would also shield both sides from scams.

A few days later, having settled in Mexico, he hired two programmers from India, and with them he started working on this project without even knowing if it would ever see the light of day. In theory, it was just another project. It was like one of the songs that artists write and leave hidden in a drawer somewhere. By that time Carlos was working in Linio, an e-commerce that became one of the best positioned marketplaces in Mexico.

As if life was determined to make Carlos create Kavak, the following year, he was swindled again, but this time while trying to be the one to buy the vehicle. He understood then that the problem was as much in the buying process as in the selling process, and suddenly he felt the need to make that song he had in the drawer, which he had been working on for a year, become something great.

Carlos could not avoid taking this project forward as soon as he knew the potential it had as a company. Thus Kavak was born. He knew it was going to be difficult to create a platform that would allow people to buy and sell their cars safely, but he allowed himself to live this new adventure. He felt a powerful need to do so. He was 32 years old and had a bright future to write.

Currently, Carlos is the CEO of Kavak, a platform that has transcended the borders of Latin America and has reached Turkey, the United Arab Emirates and Oman. Kavak today is no longer just a platform to sell and buy used cars; it also offers credit to those who cannot buy cars in cash (acting as a fintech), in addition to providing vehicle maintenance services at home.

Kavak reached a unicorn valuation in 2020 and by 2024 is at the top of the list of most valuable startups in the region, with a market cap of \$8.7 billion. It has more than 4,000 employees and has received funding from the likes of Goldman Sachs, General Atlantic and SoftBank.

Carlos founded Kavak with his sister Loreanne and Roger Laughlin, who was his childhood role model. Both were born in Venezuela, but found in Mexico a new home and also the opportunity to make an impact in a market where a significant percentage of the population runs the risk of being victims of scams when trading in their cars.

An entrepreneur who wanted to be in the military

Carlos and Loreanne were raised in a military environment. His father was an admiral in the Venezuelan Navy. "They sacrificed absolutely everything for me and my sister. They had us very young; my mother was 19 and my father in his twenties," says Carlos. Given his father's career, one where members of the armed forces are usually transferred from one place to another, Carlos went on to study in fourteen schools before entering university.

"I moved around a lot. I lived my whole life on military bases, watching my dad stand up every morning to go sailing or flying. He was a helicopter pilot," says Carlos.

From an early age, Carlos' dream was to follow in his father's footsteps and become a naval aviator. In fact, that life was practically all he knew:

“I didn't know what people did in the civilian world. Until I was 16, I had no idea that there were accountants, lawyers or businessmen. That wasn't part of my upbringing”.

Undoubtedly, his parents' upbringing had a great impact on his future. Carlos says his parents were people who were completely focused on the mission in front of them. “I saw them always standing up early and giving the best they had to every place they went. I grew up, thank God, seeing *mission-oriented people*,” he says. For his parents, the priority was for both Carlos and his sister to be well educated.

Carlos learned that you should always do the right thing by example, even when it doesn't suit you. At one point in his career in the military, Carlos' father risked arrest for opposing a political change taking place in Venezuela.

“I saw my dad doing the right thing when the right thing meant he was going to prison.”

Carlos' mother, he says, also had a huge impact on his life. “Mom and I spoke the same language. She thought three times faster than everyone else, she was always the pillar of Dad's, my sister's and mine. She was the smartest person in the house, the one with the most visualization skills and the most artistic. She sang, painted, did math... She had that gift to create,” says Carlos, assuring that an important part of his father's success would not have been possible without his mother's support.

“My dad was and is an example of leadership, courage and risk-taking, and my mom is the one I had with me all day long, the one who sat down to do chores with me when I didn't want to do them, the one who really understood how my head worked, the one who pushed us to always do the right thing and not take shortcuts, the axis of our family was her. She was one of the biggest driving forces and inspirations I have had to date,” says Carlos.

The education he received from his parents was the most important pillar for Carlos' formation, but he also learned from people from all socioeconomic strata as he moved around and studied in all kinds of schools. Although he came from a very austere family, he is aware that he had many privileges, such as the affection they had for each other, that there was always food, and that he and his sister never lacked anything really important during their childhood.

And although Carlos grew up wanting to be a military man and dedicate his life to missions like his father's, he was an entrepreneur practically since he was a child. "I would go to school, and whatever I could sell, I would sell. Dad once bought me some pencils that he named after me: Carlos Julio García, and I sold them. We still don't know how someone bought a pencil with my name on it, but I sold them," he says.

He was always looking to work, sell something or bring value to others. Carlos recalls that when he got home from school, he would go out and knock on his neighbors' doors and offer to wash their cars.

When he was 12 years old, his family moved to the United States. In that country, he found himself limited by the fact that he could not work unless he was at least 14 years old.

"Wherever I went, I always worked and had money in my pocket. I never had to ask dad or mom for money for the things I wanted. That was something I always had, that was part of my identity."

But Carlos didn't allow his entrepreneurial spirit to be dampened. What he did was talk to his father and borrow money to buy a lawn mower, and soon he was out in his neighborhood knocking on his neighbors' doors, offering to mow their lawns. That was his business for that year.

"What I learned was that there was more grass to cut than my own ability to cut grass, so I started hiring children to help me, and buying lawn mowers. I was in charge of the relationship with the adult, with my clients," says Carlos. He came to have more than 10 children working by his side. When he returned to Venezuela after a year, he had thousands of dollars in savings and he was only 13 years old. "I put that money to work. I set up several businesses (selling water, electrical appliances and ice cream), and then I set up a restaurant when I was a little older".

There wasn't a moment in his life when Carlos wasn't undertaking, inventing a project or looking for new ways of working. However, his mind remained focused on the destiny he believed was his. When he graduated from high school at age 16, he even went so far as to shave his hair to enter the military academy and try to become an aviator. What Carlos never imagined was that life had another story in store for him, completely different from his father's path.

Finding himself on a road he had not imagined he would travel

When Carlos was about to start his military career, political problems broke out in Venezuela. “My dad was not on the government’s side during this political change, so he got into a lot of trouble,” Carlos says. His father went so far as to ask him not to join the armed forces because it made no sense to him to see his son in the middle of all those changes that could even have an unpleasant outcome. There was a power vacuum and many leaders had been dismissed, so the outlook was not favorable for Carlos.

“For the first time, I had to pick up a book and understand what the civilians were doing. I had to figure out what to do with my life,”
Carlos confesses.

He then began to ask himself what he could study, and chose economics because it was a career that, in his opinion, allowed him to have a wide range of options to practice his profession.

While in college, he continued with the same entrepreneurial spirit. By this time, he had set up a fast food restaurant in Caracas that soon expanded to three locations in the country’s main shopping

malls. “I would stop at 5 a.m. to buy merchandise and take it to the restaurant. Then, I would go to the university at 9 o’clock to study, leave at noon and go to dedicate time to my restaurants,” says Carlos.

Advancing in his economics career, he joined Diageo, a company dedicated to the manufacture and importation of alcoholic beverages. This later allowed him to get a contract at Alfonzo Rivas, a Venezuelan food company with more than a century of commercial activities.

At the time, Alfonzo Rivas was looking to develop an alcoholic beverage department within their business. Carlos was hired in his twenties to begin integrating that department they were building.

“However, at that moment when I entered, everyone in the department left. I was left alone, in my twenties. And it was up to me to take that business forward,”
says Carlos.

There he had the opportunity to do intrapreneurship, that is, to undertake and create new business models within the same structure of the company. “This new department became, during my four years there,

30% of the import business. It was an opportunity for entrepreneurship within an important structure while I had the university and my business,” says Carlos.

“There was a time when I would stop at four o’clock in the morning to take merchandise to the store, go to work, then return to the store by subway at noon... and then go to take my exams at the university. I was committed to this rhythm of life for five years,”
Carlos explains.

Carlos believes that there are people who become entrepreneurs throughout their lives and others who are born entrepreneurs. He is part of the latter group, but he feels that being a born entrepreneur was not something that benefited him much during his upbringing. He didn’t enjoy going to school and he didn’t get the best grades. He never considered himself one of those who are able to learn in a classroom. “I learn by doing and researching what I like,” he asserts. “For many years I was a misfit, someone who was misunderstood... until I became successful.”

Analyzing his decisions and the desire for entrepreneurship he has always had, Carlos believes that none of his great choices were motivated by money. His main fuel is the need to satisfy his curiosity. “There are things that interest me absolutely nothing, but when something interests me, both now and when I was starting out, I had to explore it. It wasn’t like I had a choice to explore it or not: if I didn’t, I would explode. I still feel the same way,” Carlos admits.

“I am a curious, creative person who likes to dream. I like to see the future. From a young age, when something suddenly appeals to me, I start dreaming and thinking about what the future of that is, what the future looks like around that. Once I develop a vision of where something is today and where it can be tomorrow, with anything, myself, a product or whatever, it becomes impossible for me not to take it forward. This goes not only with entrepreneurship, but also with all kinds of inventions.”

One of his qualities is his ability to visualize. As a child, Carlos says, he did the same thing even when he thought about climbing a tree to pick a mango. When he had already planned it, it was impossible for him not to do it. He assures not to feel so much vertigo to start new paths, he is not so afraid to take the first steps to start something different.

“Once I see the future and see how I think I’m going to experience that future, it’s impossible for me not to go and do it,” he says.

So Carlos ended up starting a business not so much out of a desire to start something, make money or prove something to someone, but because he visualized something that he then felt the need to take forward.

“Now I know that the future is not built just for the sake of it. The future is built because there are people like me who stop every morning to build it. The difference between that future and today is how we visualize that we are going to be able to get closer to it,” says Carlos.

Carlos is also aware that there are lies that we as a society constantly repeat. “Your parents, teachers, friends, grandparents, aunts and uncles and everyone else are lying by assuring you that you have to go to school, get a stable job or follow certain paths to have a good life. And you know that’s a lie. I can imagine my life, imagine my movie. A movie where I am the protagonist, and that I can write,” says Carlos.

Carlos’ success as an entrepreneur has been a sum of many factors. Among those key elements is the fact that he grew up in a home where he was not told that anything was

impossible, nor was he criticized for experimenting. He practiced karate, baseball, basketball, skateboarding and other sports and even learned to play the guitar. “I did everything, and if I didn’t like it, if I realized I wasn’t going to be amazing at something, I got out,” Carlos shares.

That restlessness to experiment led him to take risks in his work experiences. “If you ask my boss at Alfonso Rivas during that time, he would say: ‘This guy was crazy’. I took a lot of risks, but they allowed me within their corporate structure,” Carlos says. From all these experiences, he confesses that he felt confident at the thought of failing.

“What does it matter if I fail,” he said to himself.

And eventually he also ended up suffering failures. “I sold my restaurant and made a lot of money. With it, I bought real estate properties in the United States and Venezuela. In my country they expropriated them, and in the United States came the crisis of 2007. And I lost everything. At the age of 24 I was on top of the world, but I lost everything,” Carlos says.

Although the fall was hard, new challenges still awaited Carlos in the future. The process of rebuilding himself and finding himself again would be complicated, but it would eventually pay off. His greatest successes were yet to come.

Carlos García

Founds **Kavak**, a platform for the secure buying and selling of used cars.

2016



2015

Carlos is scammed while trying to sell his car in Colombia, which leads him to conceive the **initial idea** for Kavak.



2020

Kavak becomes a unicorn, reaching a valuation of over one billion dollars.



2024

Kavak consolidates as a fintech player in the automotive industry, offering not only cars but also financing and maintenance services.

2021

Kavak **expands** its operations beyond Latin America, entering Turkey, the United Arab Emirates, and Oman.



2018

Kavak begins gaining traction in the Mexican market, **growing** rapidly.

Getting back on your feet and the birth of your startups

Carlos went to live in Italy with \$5,000 in his account, without ever having been to Europe or speaking the language. He felt sunk. His first job was washing dishes.

“Having been a graduate professional with his own business, with all that success, I had to start from scratch,”
Carlos admits.

His plan was to apply to work for Interpol. Having grown up in an environment with guns and military training, this path also appealed to him. “I wanted to be an investigator, a profiler. I read about two hundred psychology books, and I also felt that I knew a lot about people, that I could interpret them having been in so many colleges and universities. That allowed me to read people, to know who was lying to me and who was not. I was good at that,” Carlos assures.

In any case, Carlos was not going through a good time. “I was living on two or three euros a day, eating kebab everywhere,” he says. Some friends of his went to pay him a visit in Italy and saw the precarious conditions he was in, so they told his sister about it. “At this time, the one who got me out of that place where I was was my sister,” Carlos assures.

Loreanne was then pursuing an MBA at Stanford. When she found out what Carlos was going through, she sent him a ticket to visit her in San Francisco, and there he could not help but be completely captivated; his sister came looking for him in a convertible car and took him to a mansion where she lived with five other friends. Carlos did not know what an MBA was at the time, nor did he understand how his sister was affording such a lifestyle and academic training.

—How can I pay for it?
—asked Carlos.

His sister revealed that his employers, McKinsey & Company, had offered him the scholarship. Carlos then took a look into the future and envisioned his plan: like his sister, he too wanted to pursue an MBA and work for McKinsey.

Carlos spent two months living with his sister and there he became interested in the world of technology. He told himself then that he needed to also have exposure to the advances and the type of people who made a living in this environment.

“At that point I was at my lowest point, where entrepreneurship was no longer helping me. I came back to Italy obsessed with an MBA. I didn’t even really understand what

it was at the time, but my sister inspired me,” says Carlos. Soon he was packing his bags to head to the UK, where he would seek admission to Oxford University to do his master’s degree.

“Within the MBA, I became obsessed with getting into McKinsey because I said to myself, ‘I need someone to pay for this,’ because I didn’t have a way to do it,”
says Carlos.

However, the first contact he had with technology in San Francisco prompted Carlos to look for a job at Amazon UK. “I joined in 2010. I was like a kid when I arrived. I was 26 years old and sleeping in the office. I slept under the desk for 6 months. Imagine: I came in and saw something I had never experienced before. My obsession was no longer the MBA or McKinsey. Now it was that Latin America needed an Amazon, that I had to do everything I could because nobody in Latin America was realizing that,” explains Carlos.

After finishing his MBA at Oxford and his time at Amazon, Carlos returned to Latin America and managed to get a job at McKinsey. There he stayed for two years. “McKinsey gave me a lot of structure. It allowed me to talk to a lot of company directors and see that no one was thinking about the digital part, about what was

happening in the United States and Europe. I learned a lot, I got tools that I later used in my life,” says Carlos. “But I left McKinsey to set up Linio, to set up the Amazon I had imagined”.

However, Carlos would soon realize that starting a technology business in Latin America was very different from doing it in other parts of the world. “You had to set up too many businesses downstairs to make it work. We are talking about 2012, there were no online payments or payment gateways. If you wanted to ship a product to a customer’s house, there was no DHL or FedEx to do it. Not all customers had cards, so you had to accept cash on delivery,” recalls Carlos.

He thought he would have the same facilities as entrepreneurs in the United States, but he learned firsthand that he had to develop the verticals of his core business to make it all work. “That made us spend resources and time. Plus, there wasn’t enough talent,” says Carlos.

“Latin America, unlike other regions, has fundamental infrastructure problems. An entrepreneur here, to set up a unicorn or a big company, has to start with more basic problems, and then you put up your platforms to get things going.”

By this time, Carlos was 28 years old. His work team was made up of 22 or 23 year olds. "We had to bring in Europeans and Americans. We recruited three thousand people at Linio, we were the first company outside Brazil to recruit so many people. We opened in eight countries." Carlos recognizes that this experience, although hard, made him much more prepared and anticipated major problems when he started cooking the idea of Kavak.

The birth of Kavak came in the midst of Linio's development and growth. Carlos suffered a scam in Colombia when he tried to sell his car and then something similar happened to him when he tried to buy one in Mexico. It was unheard of and frustrating.

That catapulted him to create a platform that would enhance the car buying and selling experience. Carlos dedicated himself to working for an entire year, along with two programmers from India, from 12 p.m. until 2 a.m. "It was simply because I would rather do this than watch Netflix," says Carlos.

After suffering the second scam, Carlos began to study the market intensively. There he discovered that the Latin American market was one where there were billions of transactions occurring in informality, and that there were rates of up to 40% fraud.

"I said to myself, 'Well, I'm not the dumbest person in the world. I'm part of the 40% and it happened to me twice.'"

It was a big problem to solve. He also discovered that 7 out of 10 people in the United States owned a vehicle, while in Latin America it was 1 out of 10.

All these elements made Carlos remember the moment he bought his first car.

"When I did, my life changed," he says.

"I was given a credit that represented 80% of my salary, of what I was earning at the time. A crazy man lent it to me. After two years, my credit only represented 5% of what I earned, and the reason that happened was not because my business grew overnight, but precisely because I had a car. This car allowed me to go in the mornings to buy merchandise for the restaurant, to get a job at Diageo and Alfonso Rivas, and to have a better social life, as someone at that age needs. And that made me feel very identified with the problem," says Carlos.

I wanted them to be able to solve the problem of fraud and also to provide an opportunity to finance those who no one dares to finance. In this way he could multiply the level of progress of the people. "If you are Latin American and you only use public transportation because you don't have a car, the most profound life change you are going to have is a car. Even though I built a unicorn

company and Linio, my biggest life change was when I got my first car. Nothing has changed me as profoundly as that," says Carlos. Giving other people the opportunity to feel the same way he felt became his life's mission. Although he had already dedicated time to Kavak, it wasn't until he found this purpose that he understood that he had to dedicate himself fully to it.

Carlos' growth

Carlos is clear that the people around him are a fundamental part of his film, of the life he has chosen. "They are my family, my friends, the people with whom I am building this. It's more important the company than the film alone," he assures. "When I've left any job or venture, I don't take my work with me, I take the stories with the people, what we did together. I don't take with me whether we were successful or not. I'm not going to die and people will say, 'Carlos built a hundred-billion-dollar company.' I am going to die and what I want is to have many beautiful, positive stories with the people around me.

That is why he defines himself as a "collector of people". Many of the people who currently work at Kavak have known him since he was twelve years old, from his time at Alfonso Rivas, from his work at McKinsey or from his time at Linio.

"I keep the good people and try to convince them to build together," he says.

He also admits that he enjoys being a person who pushes others out of their comfort zone. "I'm always going to take more risk than you would typically take," he says. "I like to create the feeling in my friends and family that something is going to happen when I come along. That motivates me. Because you give everyone a little bit of that life that allows them to dream."

Carlos recognizes that what makes him different from when he started Kavak is that now he understands how much he will suffer when making a decision, how much sacrifice is involved in creating something. That has allowed him to be smarter about mitigating the sacrifice.

“You ask yourself questions you typically wouldn’t ask yourself,” he says.

The truth is that the road was not easy. When he started his project in 2016, no one was betting on him. There were even investors who thought he was crazy when he told them he wanted to create a platform where he would finance pre-owned cars and offer guarantees to users, as Carlos himself told the Mexican newspaper *El Financiero* in 2021. However, this did not stop the company from growing 25% on average month after month for several years. It took Carlos and his team only four years for Kavak to reach a valuation of more than one billion dollars.

But this valuation is not as important as how many of his customers are shopping with Kavak for their first vehicle ever.

“Today it’s 40%, a lot,” he says.

And that picture of the future envisioned by the Carlos who founded Kavak is still the same one facing the Carlos of 2024, who runs a unicorn company and believes there is still plenty of room for improvement.

“So that people understand our business, we are not here to sell cars, but for people to buy their first car and also their last car; to do everything in between with us: service, maintenance, financing, insurance, absolutely everything, and that we can be part of the personal and professional growth of our customers through a tool as beautiful as the car,” Carlos explains.

“We are building an ecosystem to build long-term relationships, not just to sell metals”.

And although in the present he allows himself to dream bigger, he still maintains the philosophy that if he sees something that can be improved, he will do it. It’s the same need he experienced when he envisioned an interesting future: if he doesn’t, he feels he’ll explode.

“Just because he’s built something doesn’t mean it can’t be better. Same with having built a unicorn. My unicorn is full of problems and needs to be better,” says Carlos.

He is aware that at Kavak he fulfills two roles: the first, as the company’s main shareholder; the second, as operator, as CEO. “I think you have to have a lot of maturity to understand that they are two different roles,” he says.

"As a shareholder, I hope to stay leading the board and the council for a long time, but as CEO, I have to earn my job every year," he explains.

"Every year, being the one leading the board, I sit down and ask myself, 'Who is the best leader for Kavak today,' and every year I say goodbye to my job."

After saying goodbye to himself, he analyzes what things he would want the new CEO to do. "I sit down and think about what I want, and then I show it to Carlos. You know what that version of me says, 'Is that what you need? Then I do it,' and I get rehired," says Carlos. He is very clear that he may lose his position as CEO every year, and that allows him to stay hungry and give everything to his team, his investors and his clients.

"I am their servant, not their boss. I'm the one who serves them. That keeps me improving and learning," he explains. He also assures that listening to his clients' good and bad experiences allows him to continue to improve: "Kavak is only as good as the last experience they have. It doesn't matter what we have done in the past, but what we can offer them now.

On the other hand, Carlos has struggled to understand that he cannot do everything in his business, that he must delegate. Over time he has built a team that takes more responsibility and accountability for the mission they seek to accomplish. He now knows that his main goal as a leader is to make them understand on a daily basis how to build Kavak's vision for the future.

"The 32-year-old Carlos was on top of everything, but now I have a lot of people who are even teaching me; who give me feedback on what they are seeing, and who are also learning to delegate," he says.

Carlos is constantly trying to cause disruption within Kavak itself, so he gets directly involved in projects that might see the light of day in the future. If they work, he integrates them into the operation for further development.

"The main difference between 2016 and 2024 is that now I know it will take me longer to build the future I thought it would. And that's okay. Before I felt it wasn't okay. For me before it was to grow and accelerate to the maximum; I felt like I was going to die tomorrow. Now what I'm doing is taking much better care of myself by exercising, eating and resting. To be 50 years older and not live like I did five years ago, when I thought I would die tomorrow," says Carlos.

Many entrepreneurs feel they don't have time to build everything they have in their head and that makes them go too fast. However, Carlos understood that this is the wrong way to look at the problem:

“What I have to do is make sure I have that time. How do I do that? By changing my habits to be healthier and making sure I spend more time training the team so they can take on more responsibility to accomplish more things.”

When Carlos asks himself the question of why he came into the world, he believes it was not to build Kavak or to be an entrepreneur. Although he considers entrepreneurship to be his professional sport and he does it well, he assures that his mission in life is simpler: “It's to enjoy the day, create stories and make memories with the people around me. Make those memories and stories exciting.” When she is with her children, she wonders how to make the moments around them more exciting. He wonders what he would have liked to do at that age, and what activities could be memorable and give them tools for their future.

Carlos also claims to be aware of his own mortality, especially when remembering his mother, who died in 2022.

“I know that the time we have is on loan, and at the end of the day you're there to have fun, to fill whatever it is that excites you. My mission really is to be present,” says Carlos.

“I think a lot of people today, with technology and things around us, are rarely present. When I'm with you, I'm with you and that's the most important thing to me. I try to apply that one, to always be present, with my children, with my work and with the people who are close to me. Make the people around you feel that you are there. I think few people are aware of the impact that has.



TAKEAWAYS

- ✓ **The greatest ideas can come from painful frustrations.** Even if you're scammed you can make the most of it by looking at it as an opportunity.
- ✓ Sometimes we want to follow a path without realizing that there is another path that we have already been building almost naturally. **Analyze your past and understand how your innate qualities could help you build your future.**
- ✓ We may often hear that there is a single path we must follow in order to have a good life. However, this is not entirely true. **You can choose how you imagine your life.**
- ✓ **Growing up in a place where you are not criticized for experimenting can be beneficial in the future.** It allows you to try different options until you find what you are good at and feel better about it.
- ✓ At any time, especially in the entrepreneurial environment, we can go from being on top to losing everything. **You must choose if that is the end of the story or if you are going to get up again.**
- ✓ It's important to **seek exposure to people and learning that can lead you to the future you want.** This is why places like college and experiences like an MBA are so valuable.
- ✓ **Starting a business in Latin America may be different** from starting a business in the United States or Europe. You may need to create verticals of your business to support your model, as the infrastructure may not be the same as in other markets.
- ✓ **Don't be afraid to let your imagination run wild in your spare time** and create projects that may or may not see the light of day. In this sense, you can be like a singer who writes songs for fun and puts them away. One of them could be a worldwide hit... or the next unicorn.
- ✓ **Use your own personal story** to give purpose to what you do and your venture.
- ✓ **Learn to be present.** When you are in a place or with a person, try to devote your full attention to what you are doing. Your results and relationships will improve.



DANI
UNDURRAGA

The tropicalizing entrepreneur

Returning to the origins

Few in Latin America accomplish what Daniel (Dani) Undurraga did: building, alongside his partners, a million-dollar tech company that expanded throughout the region only to strategically sell it at the opportune moment, making it the largest exit in Chilean history.

This remarkable achievement wasn't a one-time occurrence but a situation that happened twice.

The first time that he achieved this triumph was in 2010. At that time, tech ventures were still rare in Latin America. However, Undurraga successfully established Clandescuento, an online discount platform akin to Groupon, which was later acquired as an entry strategy into the Chilean market.

It was Dani Undurraga's first taste of success in the business world. However, he wasn't one to settle. Driven by an unyielding ambition, he set his sights on new horizons in Silicon Valley, San Francisco, California—the global hub for tech pioneers.

Though he had enough money to lead a life of leisure, Dani's hunger for achievement remained unquenched. Fueled by an unwavering entrepreneurial spirit, he was determined to continue pushing boundaries and finding innovative solutions, eagerly awaiting the right moment to seize new opportunities.

That's why he made the move at Silicon Valley: he had a burning desire to create something significant, even though he hadn't quite figured out what that would be. One of his early ventures into new markets involved launching a company that focused on privately storing photos in the cloud, envisioning a blend of WhatsApp and Dropbox. Unfortunately, despite dedicating over a year to the endeavor, it didn't gain traction. While it resulted in financial losses and possibly wasted time, for the Chilean entrepreneur, it served as a valuable learning experience that broadened his perspective.

However, this setback wasn't a permanent defeat for Dani but presented an opportunity for a fresh start. Like many successful entrepreneurs who have faced significant challenges, he understood that failure was just a temporary setback.

At this point in his life, Dani and his talented team, including co-founders Juan Pablo Cuevas and the Swedish Oskar Hjertonsen, possessed extensive experience in the technology sector.

Dani was confident that their next major endeavor would succeed, and he was proven right; the pinnacle of their achievements was yet to come.

Dani and his team needed to return to their origins for that vision to materialize. Just as they did with Clandescuento, they collectively explored business models in the United States that hadn't yet reached Latin America, endeavoring to adapt and tropicalize them for the region. It didn't take them long to identify their next major entrepreneurial endeavor, and in 2015, Cornershop was born—a platform that links users with a variety of stores and supermarkets.

Cornershop left a mark on the Chilean and Latin American business landscape. Similar to Clandescuento, Cornershop earned the distinction of Chile's first unicorn company. In 2021, Uber acquired the startup for 3 billion dollars, solidifying its position. The company now has over 2,000 employees.

Today, Dani serves as the Chief Technology Officer (CTO) at

Cornershop, overseeing the growth of the company's swift delivery service for goods and groceries to major urban centers throughout Latin America, the United States, and Canada.

Dani is a cosmopolitan individual, having lived in Mexico, the United States, Chile, and Spain. He is also a man of diverse interests; he enjoys playing soccer, composing music, and playing musical instruments as a way to relax. Dani typically reads between 15 and 20 books yearly and is actively engaged in a foundation in Chile. This foundation is involved in two main initiatives: firstly, installing Starlink antennas in rural Chilean schools lacking internet connectivity, and secondly, implementing an uplifting program to inspire students from technical high schools to pursue programming through scholarships provided by various academies.

A programmer destined for great things

From a young age, Dani remembers being deeply fascinated by technology. He had a keen curiosity about how things functioned, whether it was the television or the radio. At home, he would tinker with devices, using a screwdriver to explore their inner workings.

Dani's mother recalled that on several occasions when he was young,

he would tell her he wanted to grow up to pursue the path of a **“TV repairman.”**

The initial spark of curiosity in Dani's quest to understand technology ignited when he delved into the world of video games. At just 12 years old, receiving his first computer left him mesmerized. He was eager to unravel the mysteries behind its operation. However, this

was back in 1992, when the internet was not readily available, and sources of information were scarce.

Driven by his insatiable desire to learn more, Dani engaged in conversations and conducted research, eventually stumbling upon the concept of “programming” to create software. That year, for Christmas, he asked his grandmother to gift him a programming book, marking the beginning of his journey into coding.

That’s how he obtained a manual to learn Pascal, a programming language that isn’t widely used today. Dani learned to program by reading the manual and writing his code with pencil and paper because he didn’t have the compiler installed on his computer to run and test his code.

At 13, Dani embarked on his programming journey alone since he didn’t know anyone who could develop software. However, he acquired a floppy disk with the necessary compiler, enabling him to finally compile and run all the code he had written by hand. This moment was the true beginning of his growth as a programmer.

Programming wasn’t Dani’s only passion. Music was a subject he shared with his friends, but he enjoyed programming in solitude. “All my friends from that time are musicians today,” Dani says. During a crucial period when career paths are often decided, he would struggle with whether to pursue software engineering or music.

His mother gave him some of the best advice he ever received:

“Look, Dani. If you become a software engineer, you can still play music in the afternoons. But if you focus only on music, you won’t be able to be a software engineer in the afternoons. It’s best to study a career in software engineering if you want to do both.”

At home, Dani had the privilege of spending time with his grandfather and learning about his remarkable story, an engineer like Dani would become, founded a construction company in the 1960s that was responsible for some of Chile’s most important infrastructure projects, such as the tunnel between Santiago and Valparaíso, and the National Stadium.

Dani realized that he came from a family with a legacy of significant achievements. His grandfather, who lived nearby and looked after him when he came home from school until 7 PM, taught him about electricity. They would conduct experiments, building small electronic circuits and connecting batteries to light bulbs.

His parents were independent architects who designed projects and charged by the hour, but that wasn’t their only pursuit. Both painted, and his mother also created sculptures.

Dani remembers growing up in a home filled with painters, artists, and other creatives who would often gather over for meals. “I was surrounded by all these diverse, free-spirited, and creative people while growing up,” Dani explains, who found his artistic outlet through music.

By the time Dani enrolled in a Software Engineering program, he had already taught himself the basics of programming. Not satisfied with learning Pascal, he also bought a book to teach himself Java.

Upon entering the Pontifical Catholic University of Chile, Dani realized he didn't thrive in a rigidly structured environment where professors dictated the pace and content of learning. He desired a more dynamic learning experience, where he could delve into subjects at his own pace, he already knew the lessons in advance that they took in class.

“I’m quite practical. I enjoy studying independently and learning things on my speed and terms,”
Dani explains.

By his second year, Dani was so advanced that he joined a university department responsible for developing student services like email systems, calendars, and course selection applications.

This university job opened doors for Dani to work at LAN Airlines, a Chilean airline, alongside colleagues from the university's software department. Dani recalls it was the first opportunity he had to contribute to products used by real customers. Despite being the youngest in the office at just 20 years old and in his third year of university, while his colleagues were 25 or older, Dani embraced the challenge wholeheartedly.

Even though the pay was quite low, it presented a huge learning opportunity for him, and he also received two annual flight tickets. As the least experienced member of the team, he was entrusted with all the experimental, daring, and innovative projects that didn't significantly impact the airline's critical operations. Dani developed a fare engine and even a mobile application that allowed customers to check in upon arrival at the airport. During this first job, he realized that the knowledge he acquired from books and classrooms could be directly applied to create products and solve real-world problems.

Few people, particularly in Chile, possessed the necessary skills to build websites, and Dani happened to be one of them. Thus, whenever there was a need for someone capable of creating websites, Dani's university acquaintances would recommend him. This led him to establish a side business alongside his work at LAN and his career with a Software Engineering degree.

That entrepreneurial endeavor began with Juan Pablo Cuevas, a friend Dani met during their university years. They worked together for over 20 years, and Juan Pablo eventually became Dani's partner at Cornershop. Dani and Juan Pablo complemented each other's skills, learned from each other, and collaborated on software projects.

One day, a client told them: "I need this to be a formal business; I need someone to issue an invoice because I have to justify this expense. I can't just keep giving you money this way."

So, Dani established his first company, Lemontech, without looking for it. Alongside Juan Pablo, they developed tailored software solutions for various clients.

After facing repeated challenges in different systems, such as user registration and email delivery, they decided to develop modular solutions that could be customized and combined to speed up the creation of new software.

"When multiple people face the same issue, you make slight adjustments based on their specific situations, and then you solve the problem," explained Dani.

As they expanded and brainstormed fresh approaches to market their value proposition, Dani realized they hadn't been operating as efficiently as possible. Despite being in the internet industry with boundless scalability potential, their business model resembled his parents, who were architects selling their time by the hour. Dani recognized this wasn't the most effective strategy: "When you sell hours of work, you can increase your hourly rate as you gain experience, but ultimately, you're limited by the finite number of hours in a day, week, or month."

So, he aspired to establish a startup akin to those in Silicon Valley, crafting a product that was both scalable and valuable, one they could devote themselves to around the clock and would be embraced by countless users.

The tales of Silicon Valley entrepreneurs, particularly the genesis of Google, profoundly inspired him. However, Dani's primary drive, his core motivation, was never financial gain. What moved him was the prospect of working on something he truly enjoyed; he envisioned himself as a craftsman, molding raw material into something useful. The notion of creating something out of nothing captivated him.

He didn't know about it, but his journey as an entrepreneur was about to begin.

Dani Undurraga



Failed attempt with a photo storage startup in Silicon Valley.

2014

2015

Founds **Cornershop** together with Juan Pablo Cuevas and Oskar Hjertonsson.

2010

Dani founds **Clandescuento**, which is later acquired by Groupon.

2018

Walmart attempts to acquire Cornershop for \$250 million, but the deal falls through.



2023

Uber announces the integration of Cornershop into Uber Eats.

Uber **acquires** Cornershop for \$3 billion.

2021

Setbacks and triumphs as an entrepreneur

Shortly before finishing his engineering degree in Chile, Dani experienced exhaustion and a hint of disappointment. He observed how all his peers were already immersed in their careers or pursuing their passion for music. He struggled with university courses that seemed irrelevant to his future as a software engineer.

The prospect of a semester abroad offered a chance to refresh his perspective and fulfill his university's elective requirements. Then, an opportunity emerged: a friend spoke about the plans to study music in Europe.

Dani realized that he had the opportunity to go with his friend and obtain a certificate that could be recognized by the university. He traveled to Barcelona and spent six months studying the art of music: piano, bass, harmony, and music theory. It represented a major shift from the path he had been following, but Dani embraced the chance to embark on a unique adventure that semester.

Entrepreneurs frequently encounter unexpected strokes of luck, almost magical moments where they stumble upon something they hadn't been actively searching for. **Dani experienced one of these instances.**

During those six months, he lived in an apartment with six other people around the same age from different parts of Europe, including Germany, Italy, the Netherlands, and different regions of Spain. During this time, Dani formed a close bond with a German roommate who wanted to move to Latin America to improve her Spanish. Eventually, she made her way to Chile.

Upon completing his music studies and returning to his country, Dani received an invitation from his German friend to join her at her apartment for a few beers. This encounter led to a remarkable twist of fate: as Dani approached the door, it was opened by a towering Swede who would later become the co-founder of their future ventures. This is how Dani crossed paths with Oskar Hjertonsson.

"I met Oskar simply because I decided to pursue music studies in Barcelona," Dani recalls, reflecting on the sequence of events. Oskar, an industrial engineer with knowledge in programming thanks to some courses he took, shared common interests with Dani. Although their friendship flourished over time, it wasn't until three years later that Dani, Oskar, and Juan Pablo agreed to embark on their first entrepreneurial endeavor together, founding Needish.

At a certain point, they decided to launch their startup in Chile. The idea was to create a company he describes as "Google, but in reverse." They wanted to develop a platform where

users could write what they needed, and that request would be sent to anyone who could help them solve it.

“It was like the Yellow Pages of the future, that’s how we thought of it,” Dani explains.

If someone needed a piano tuner, the request would be sent to all the tuners in the area so they could compete to close a deal, offering their terms and prices for the client to make the final decision.

Dani, Juan Pablo, and Oskar had a solid team and a relatively clear product vision, but the project didn’t seem to take off. In their quest to raise funds, they moved heaven and earth to contact Wences Casares, a well-known Argentine entrepreneur who had already achieved success by selling his online broker “Patagón” for \$750 million to Banco Santander in the 2000s.

Wences introduced them to the people who would later invest in Needish. He also invited them to visit Silicon Valley, where Dani, Juan Pablo, and Oskar met angel investors, entrepreneurs, and institutions who provided guidance and support along their journey. Dani admits that without Wences’ backing, their path would have taken a very different course.

The reality is, that they made a positive impression in Silicon Valley. Dani describes how they were perceived as motivated, dynamic,

brimming with talent and drive, yet somewhat uncertain and lacking enough experience in crucial business matters. During one of their numerous meetings, an investor offered them advice that proved to be invaluable:

“Listen, you guys have talent, a solid team, and impressive founders, but the concept you’re pursuing is quite challenging to execute. It faces issues with the business model and various other aspects... There are simpler and more impactful ideas that you could pursue in Latin America.”

So, the investor showed them a company from the United States, Groupon, which was just getting started; what it did was sell massive discounts online. Stores, businesses, or brands would contact them to clear out their excess inventory, ensuring that they would sell at least 100 or 500 products.

The discount would only be activated if a high number of people bought the products or services. **“It was a model with a lot of potential and very viral,”** says Dani.

At Needish, they began studying that model to understand how it worked and to define how long it would take them to do something similar. That’s how Clandescuento was born, a tropicalized version of Groupon’s business in the United States. They realized they could execute it in

Chile, Argentina, and Mexico, and they quickly got to work.

On the first day they launched Clandescuento in Chile, they sold approximately \$10,000.

It was more than what they made in a month of operation at Needish, with only 3% of the effort. They realized they were facing a huge opportunity. Dani moved to Mexico to secure the largest Spanish-speaking market, while Clandescuento continued to operate its technology from Chile.

The story of Clandescuento, though very successful, would not be too long. Six months after its founding, Groupon began expanding throughout the United States and sought to go to Europe and Latin America. Dani received an offer to sell 51% of Clandescuento in exchange for a substantial amount, and they decided to accept it. Within two years of being operated by Dani under the Groupon brand, the company expanded to eight countries nearby. They were everywhere, selling hundreds of millions of dollars yearly, with over a thousand employees. In this sense, Dani considers Clandescuento the “MBA of his life.” That’s where he learned how to scale a business and make it take off practically from scratch.

However, Dani knew he would not stay there for the rest of his life. Although joining Groupon gave them a significant boost, as the business

evolved, Dani went from being a founder with a lot of freedom, guided by his instincts, to slowly feeling like an employee. He couldn’t travel from Mexico to Chile without having to submit a form explaining how many days he would stay, which hotel he would stay in, how much it would cost, and someone had to approve those kinds of decisions from Chicago.

He became a cog in a gigantic corporate machine where he didn’t have as much influence.

Increasingly, Dani felt that what he was doing was less important and had less impact. When Groupon eventually bought the remaining 49% of Clandescuento, Dani realized he didn’t have many incentives to stay in the company, so he resigned and moved to San Francisco.

He spent a few months there on vacation, but his entrepreneurial instinct prevented him from feeling at ease despite the success with Clandescuento. He wanted to continue creating things that made an impact.

And somewhat fueled by the frustration of being in San Francisco without much to do, Seahorse, Dani and Oskar’s second startup, was born. Dani recalls that there were very few applications for uploading photos to the cloud in 2013. Dani saw a significant problem because everyone was taking pictures, but there wasn’t a resolved solution for securely storing them.

“What if they could store high-resolution photos in the cloud, like Dropbox, but at the same time, save them collaboratively with people, as WhatsApp does with its closed groups?” they wondered.

What they had in mind was a combination of both applications where they could upload photo albums with different social groups.

Dani and Oskar speculated, perhaps mistakenly, that people's behavior would change from overexposure to social networks, where users may share every little thing they do and every place they visit, to more private networks.

So, they built and promoted their product, but soon, they found that the cost of each user backing up their files on the platform was very high. Although they raised investment and put in their own money, it was evident that capital was burning with significant speed.

“The more Seahorse grew, the more it lost, and that’s not a great position to be in as a founder or entrepreneur,”
Dani explains.

Another issue added to the situation was a notable lack of user willingness to pay for the

product, and the cost per user was prohibitively high. With Seahorse, only a handful of users were inclined to invest in uploading their photos to a platform they weren't confident would be around the following year.

“In contrast, with Cornershop, it was a completely different story. Our service may come with a higher price tag, but customers see the value because we spare them the hassle of supermarket trips, parking hunts, refueling stops, and two hours of their precious time,” Dani emphasizes.

To deal the final blow at Seahorse, giants like Google, Apple, and Amazon launched their apps with free versions for storing multimedia files. Even though offered at no cost, their offerings boasted more storage capacity than Seahorse could provide.

They were in trouble. They needed to compete, so they offered a month for free, but after that, users had to pay, and that's where the company's growth halted. Dani acknowledges that it was a relief because they stopped losing money as they had been.

“But on the other hand, it was absurd because one starts a company to make it grow, right? The question we asked ourselves was: ‘How do we make Seahorse grow, but in a profitable way?’”

Unfortunately, they never found a way to do it and ended up shutting down the project. For a while, they looked into selling Seahorse to at least recover some of the capital; they didn't want to remain tied to it. "Is that what we want, to gain nothing and stay on as employees if someone buys us?" they wondered. "If we sold it, it would have been an ego-driven success, a way to tell people that we hadn't failed. But I'm not that person. I don't care about failing," says Dani.

Seahorse's journey wouldn't mirror the success story of Clandescuento, but despite the sudden setback, Dani felt confident in his strong team's support. They had expertise in developing software for diverse client needs, running an e-commerce platform, expanding a business, and managing a workforce across various countries. Their experience with Seahorse gave them valuable insights into mobile app development, providing ample resources. They harbored optimism about their next endeavor, drawing from their extensive industry experience.

They bounced back once more. After two years with Seahorse, they returned to their roots of success: taking cues from thriving models in the US and tailoring them to fit the Latin American landscape. It was 2015, prompting them to search for an idea akin to their adaptation of the Groupon model for Latin America in 2009.

"At that time, Uber was the next big thing," explains Dani. "Everyone was creating their version of Uber for different industries."

There were Uber-like apps for massages, for pets, for selling alcohol, for car repairs in garages, and even for doctors to visit homes. Among all of them, Dani and Oskar wondered which one they used the most in their day-to-day lives in San Francisco.

They both noticed that apps for grocery shopping, pharmacies, or convenience stores were very useful, even for them as users. Dani used Google Shopping Express, Amazon Prime Now, and similar services.

Sooner than later, they would realize that no platforms offered such efficient services in Latin America. There were already apps for shopping in places like Chile or Mexico, but orders could take up to three days to arrive, there could be delivery mistakes, and often, users didn't know exactly what would be delivered to their homes. In this sense, there was a gap in creating an e-commerce platform that worked optimally, was fast, and covered the entire market that others were not tapping into.

Despite having a list of 20 potentially viable ideas stored in an Excel sheet, Dani, Oskar, and Juan Pablo were convinced that Cornershop held promise similar to what they experienced with Clandescuento. They sensed an opportunity.

**“Here’s something,”
they told themselves.**

Forming a new team was not a challenge for their next entrepreneurial endeavor. They simply reached out to individuals they had collaborated with previously at Needish, Clandescuento, and Seahorse. Getting started was relatively smooth and simple.

However, they quickly realized a significant obstacle with Cornershop: it demanded substantial capital for operations. When a customer paid \$110 using a credit card for \$100 worth of groceries delivered to their doorstep, the payment processing system could take up to a week to transfer the funds to Cornershop. As their business expanded, the need for capital to sustain operations while awaiting these payments became more pressing.

It wasn’t the only unexpected challenge for a business on the rise, not the only “happy problem”. As the app Cornershop expanded to new cities, it faced the need to have delivery drivers available in every possible neighborhood, often struggling to attract initial customers.

**“We had to offer
the drivers a
guaranteed payment
while they started
earning enough
from deliveries,”
Dani explains.**

The issue remained consistent: as their expansion progressed, their capital requirements grew.

Thus, securing venture capital became essential to sustain the business, always with a focus on spending as prudently as possible. Venture capital firms like ALLVP, Accel, and Endeavor Catalyst showed confidence in Cornershop’s business model. Within three years, the startup exceeded 3,000 daily transactions on its platform.

The business had enough appeal to catch the attention of some of the world’s biggest corporations, such as the American multinational Walmart, which in 2018, offered to acquire Cornershop for \$250 million. They were particularly drawn to the technology being developed by Cornershop.

Although Dani, Juan Pablo, and Oskar recognized Cornershop’s enormous potential, they felt it was a good time to consider selling the company. The sale to Uber had been Mexico’s largest exit to date—a staggering \$3 billion— and the sale of Clandescuento to Groupon had been the most significant by volume in Chile. They briefly questioned, “Who are we to turn down such an offer?”

It was a guaranteed \$250 million. If they declined, the backup plan was for Cornershop to go public, a process that could take five to ten years to achieve their goals.

“No one can predict if there will be sudden changes due to war or natural disasters. When you’re in business, there are factors beyond your control,” says Dani.

Thus, they decided to proceed with what would become the largest exit in Mexico and Chile’s history.

After facing months of frustrating bureaucracy and exhausting setbacks, the deal fell through. Mexican regulators blocked the sale in Mexico, and the Cornershop team decided it didn’t make sense to sell only the Chilean part of the company, leading to the entire deal collapsing. Given the circumstances, the entrepreneurs thought perhaps it wasn’t the right time to sell the company.

“Let’s maintain our independence, seek funding, and keep moving forward,” they concluded.

However, Uber entered the picture, expressing genuine interest in acquiring Cornershop. The company Dani greatly admired, which had even inspired the creation of Cornershop, persisted in its bid to buy it, especially now that its sales and market value had quadrupled. They were experiencing rapid growth and were no longer interested in selling.

Cornershop aimed to raise capital to remain independent, and Uber was willing to invest. “Out of all the offers we received, it was the best one,” Dani affirmed. As part of the agreement, Uber proposed buying shares from Cornershop employees and investors to gain 50% ownership and control of the company. And so, it happened.

Dani and the Cornershop team began paving their exit and path to success. Finally, in 2021, during the pandemic, Uber completed the acquisition of 100% of the company for a purchase price of \$1.4 billion, integrating all operations and software into its platform. “Eventually, the Cornershop brand will disappear,” says Dani, and it’s already happening; Uber announced in October 2023 that its services will gradually transition to Uber Eats.



**“It was, let’s say,
being in the right
moment, with the
right service, in a way
that perhaps no one
would have expected,
and that produces
mixed feelings,”**
says Dani.

Cornershop achieved
the largest exit in
Latin America’s history,
**but the feelings about
it were bittersweet.**

Even though hundreds of millions of people around the world were in very delicate situations during the pandemic, a significant part of their growth happened.

Their service allowed users to receive their purchases at home without leaving so Cornershop benefited greatly.

After traveling a long road as a serial entrepreneur, rising in challenging times, and demonstrating that it’s always possible to find new ways to create value, Dani believes two characteristics set ordinary entrepreneurs apart from the extraordinary. The first, and what he considers most important, is being tireless; the second is being good at the business they intend to start. “If you’re going to start a sandwich company, you must know how to make a sandwich.”

TAKEAWAYS

- ✓ The best way to start being an entrepreneur is **simply by starting**.
- ✓ **You don't have to settle** for the pace of learning in college. If you want to go faster, research and discover new things on your own.
- ✓ Make sure you **understand how** your business works and **be able to compete** in the market.
- ✓ Make sure to **analyze the industry** you will delve into and **ask yourself** if you're doing things in the best way possible. You should constantly seek to optimize and scale more efficiently.
- ✓ **If you find a formula** that has brought you success as an entrepreneur in the past, **try to replicate it** and adapt it to the new scenarios you face today.
- ✓ **Identify which business models** in other markets could generate great success if you **adapt them** to your context.
- ✓ **Internationalizing from day one** can be a **powerful** signal for **investors**, although it may not be the right path for all projects.
- ✓ **Operational excellence is crucial**. The devil is in the details.
- ✓ If the project **demonstrates the necessary potential**, it can raise money from the world's best investors regardless of its initial focus on Latin America.
- ✓ **Solving problems** with software rather than relying exclusively on human resources is preferable.
- ✓ **Learn to face the thousands of things you can't predict**, for better or worse. And seize opportunities; a tragedy like the pandemic led Cornershop to quadruple its sales. Your project may not take off even with a great team, talent, capital, and everything you need to succeed. If that's the case, the best solution may be finding a new problem you can tackle with less effort.
- ✓ **In the early days of Cornershop**, software engineers handled all the important areas and could solve problems in their area with their decentralized team.



DANIELA
IZQUIERDO

Daring to change
the gastronomy Industry

Turning a hobby into your new business

Daniela Izquierdo has always been fascinated by the world of food. She has always enjoyed cooking, going to restaurants, and learning to recreate the most exquisite recipes from around the world. Her passion for the culinary arts was so strong that she spent six months studying cooking in Italy before starting university. She didn't know it then, but in some way, she would go on to revolutionize the gastronomic industry in her country, Colombia, and throughout Latin America.

Although gastronomy had always been a hobby for Daniela, deep down she had always dreamed of building a business in the culinary world. But she felt that entering this industry wasn't aligned with her ambitions. "As much as I dreamed of owning a pizzeria, I couldn't see how that would be the work of my life. I had always aspired to be a very good consultant, to work at a big company, to make an impact. That's how I envisioned myself," says Daniela.

She was a woman with big aspirations. It was only natural that she decided to pursue a Master's in Business Administration at Harvard. It was during that time that the opportunity arose to combine her business knowledge with her hobby and make an impact on the gastronomic industry.

Daniela was paving the path she had always dreamed of, as she was already working at a major consulting firm. But during her master's program, something drew her to take a class where she would learn about the restaurant industry.

In that class, Daniela was fascinated because each class focused on a successful company in the gastronomy industry.

"Many times, they brought in the protagonist from the case study. In my class, we had the then CEO of McDonald's, as well as a chef who owned two restaurants with three Michelin stars. That's where I began to see the entire spectrum within the world of gastronomy,"
says Daniela.

There, she not only learned about success stories of major companies that had managed to thrive in the world of gastronomy, but she also formed a deep connection with Juan Guillermo Azuero, who would go on to become the co-founder of Foodology, the company they would build upon returning to Colombia.

Daniela and Juan Guillermo, who also came from the world of consulting, founded Foodology in 2019, a company that creates and operates virtual restaurants (without dine-in facilities), specifically designed for delivery service. Four years after its founding,

their foodtech (the definition for gastronomic businesses that use technology) has received over 2 million orders, operates 81 ghost kitchens (another name for virtual restaurants), has expanded to Brazil, Mexico, and Peru, and is present in more than 20 cities.

A completely different path

Daniela admits that as a child, she didn't have a single clear plan for what she wanted to be when she grew up.

“I think I wanted to do everything: singer, artist, dancer, chef, engineer, doctor, veterinarian... I don't think I was one of those kids who always knew what they wanted to do, quite the opposite,”
says Daniela.

She didn't have any entrepreneurial role models at home. In fact, her parents had been working for large companies since they were young. “I always saw them that way, in these amazing jobs, both of them working at multinational companies, doing business in many countries, but with zero entrepreneurship, really,” she explains. So Daniela had similar aspirations.

When she finished high school, she began studying Industrial Engineering, a degree in Colombia that combines business administration with many engineering subjects. She learned about accounting, human resources, logistics, inventory, and operations.

“I studied it for several reasons. The first was that I've always really liked numbers,” says Daniela. Although she enjoyed math, physics, and chemistry in school, she didn't see herself studying a field that lacked practical application in her everyday life. While she could have chosen to go straight into Business Administration, she opted for engineering because she saw the challenge it presented: it was harder to get into and also a more technical degree. Daniela acknowledges that it was a very well-rounded degree, one that pushes people to be self-taught, to break down problems, and to find different ways to reach solutions. “You study everything, from computer science and systems programming to finance. I think it gives you a very good 360° view

of the professional world,” she says. Although it might not seem directly related, studying Industrial Engineering has helped her in performing her role at Foodology.

After graduating, many things happened before she became the entrepreneur she is today. First, she began working at a small investment banking firm, where she learned to think more structurally and to analyze businesses from a financial perspective. Some time later, she landed a position at the renowned consulting firm McKinsey & Company, one of the most prestigious in the world. She joined McKinsey because she wanted to be part of something more global; of a company more like what she had seen in her parent’s careers, where she could travel, be exposed to different cultures, and have access to a much more robust path for professional growth.

She was fascinated by consulting. “It’s exactly like taking a problem, understanding it deeply, and then solving it. This job allows you to learn so much, each time about a different industry, a different company, and different problems. I saw myself staying there for many years, eventually becoming a partner at the firm,”
says Daniela.

That’s why, for a couple of years, Daniela was determined to follow the path that would help her grow within the consulting world. In this industry, especially at prestigious firms like McKinsey, it’s common that after a few years, the company gives you the opportunity to pursue a master’s degree so you can return better prepared. When her time came, Daniela decided to pursue an MBA at Harvard, following the same path typically taken by consultants.

A common thread in the stories of many entrepreneurs is that during their master’s program, events occur that ultimately push them toward entrepreneurship. The same happened with Daniela. At first, she connected with people who worked at startups or who wanted to start their own businesses, something she hadn’t encountered in her previous major. For her, this way of thinking was entirely new.

Daniela doesn’t believe that higher education is what makes someone a better or worse entrepreneur. However, she acknowledges that studying at top institutions increases the chances of accessing investment opportunities. “For me, even with having gone to one of their universities and speaking good

English, it's often hard to reach a fund I want to talk to or to get an introduction through my network in the U.S. If it's hard for me, I can't imagine how difficult it must be for someone who hasn't had that opportunity." For Daniela, attending top universities gives you the competitive advantage that a fund is more likely to answer your call.

A few months before starting her master's program, her husband went to work at Rappi, during a time when the company was still in its early stages. "I started to experience through him what it meant to be at a new company," says Daniela. Her husband was in an environment with no defined processes, facing countless challenges, and without a massive corporate structure. Combining her husband's experience with the entrepreneurial drive of her new classmates, Daniela began to seriously consider entrepreneurship as a path with real potential.

The plan after the MBA, however, was to return to McKinsey. Unlike many of her classmates, she didn't do a single interview to work elsewhere, nor did she spend a semester developing a project to continue after graduation. She would have gone back to consulting, but then she enrolled in the class about the food industry, and that changed her perspective.

From that experience, she began exploring the idea of creating a food business as a side venture alongside her consulting career. She started asking herself how to make processes more efficient by applying technology and innovative methodologies to the industry. It was during that line of thinking that Foodology was born.

Her plan was to ask for an additional three-month leave from consulting to launch her project, hire a manager to run the business, and then return to her consulting job. But the more she thought about the idea and shared it with others, the more reasons she found to pursue entrepreneurship.

"The more time and dedication I put into it, the more I realized that I really could build something big and ambitious,"
Daniela assures.

Her family and husband encouraged her. "Why don't you dedicate yourself to this full time?" they would say. Her loved ones not only saw the potential in Foodology, but they also believed that Daniela would be incredibly happy leading it forward.

Daniela Izquierdo



2019

Daniela and Juan Guillermo found **Foodology**, a virtual restaurant.

Foodology overcomes the challenges of the pandemic and **increases** demand by 300%.

2020



2020

They complete their seed round, raising funds during the pandemic.



2023

Foodology raises \$65 million in capital and **expands** to more than 20 cities across four countries.

2023

The company operates 81 virtual kitchens and continues growing in LATAM.



Foodology beginnings

Daniela started Foodology with the intention of solving a problem she herself experienced. The reasons she had never wanted to open a traditional restaurant were that it required a lot of capital to start, it was a risky business, and she believed that most people who opened one ended up going bankrupt. She also felt it was hard to grow into something massive like McDonald's, so most people ended up with just a single location or small establishment.

"It all comes down to the fact that it's just too difficult to scale in the traditional food business," she explains. The lack of capital, the high level of risk, and the low likelihood of successfully replicating a brand in many different locations ultimately prevented gastronomic entrepreneurs from scaling their businesses.

There was also an additional problem: the end consumer didn't have enough access to variety or innovation.

"When something becomes trendy, it takes off everywhere, except with food. Food trends struggle to spread and are very slow to become accessible to people,"
says Daniela.

A food style might emerge in a neighborhood or restaurant and become successful, but few consumers would actually have access to it due to how difficult it was to replicate or expand it to other areas or cities.

What Daniela wanted to do with Foodology was to create a model that would allow her to rapidly scale brands and concepts with the goal of bringing innovative food to the end customer.

That remains her core hypothesis to this day. They are focused on being an operational platform to scale gastronomic brands across Latin America.

Although at first they believed they would be the ones creating all the concepts from scratch, over the years they've learned that this doesn't have to be their only approach. That's why at Foodology, they are open to acquiring strong food concepts from entrepreneurs who had a great idea but are unable to scale it because they only have a single physical location. There's also the possibility of bringing concepts from the United States to Latin America.

The truth is that the support of Juan Guillermo, Foodology's co-founder, was key for Daniela. "I think better when I can talk things through with

someone,” she says. During the class on the restaurant industry, Daniela shared her idea with him, and he showed interest. Once back in Colombia, they met for lunch, and she brought up her plans again. That’s when he finally felt inspired to fully join the project.

When she was alone, if the plan didn’t work out, she felt she could always return to her job at McKinsey and leave the dream behind without any major consequences. But now Juan Guillermo was backing her. Foodology existed and was in motion.

“When someone else joins you, or when we hired our first employee, for example, it’s not that there’s no turning back, but the commitment of other people makes it all feel much more real,”
Daniela shares.

She had no way of knowing if her relationship with Juan Guillermo would turn out to be so positive when they first started the company. Before becoming business partners, they were friends. They began by discussing business ideas, then moved on to the ways they liked to work and the values they would want to instill in a future company if they ever launched one. In the end, they quickly realized that they shared similar values and had compatible work ethic.

She feels respect and admiration for Juan Guillermo and believes they complement each other well. Although they’ve had disagreements, they both understand that each has the best intentions at heart. “I think that’s what keeps it from ever going beyond a rational discussion,” says Daniela. In those discussions, where they debate whether to go one way or another in situations where nothing is certain, Daniela is aware that sometimes there simply isn’t a right answer. “If there were a right answer, we’re both so rational that there wouldn’t be a discussion. If we’re debating, it’s because we’re making a bet on one path or another, and there are plenty of good reasons either one could work.”

From day one, Daniela and Juan Guillermo envisioned Foodology as something big. They would say to each other, “If we’re going to do this, we’re going to do it big,” Daniela recalls. Not being ambitious was never an option, both had left jobs where they could have become top executives, so now that they had created Foodology, they wished to keep aiming for the highest possible goals.

Daniela’s and Juan Guillermo’s first 100 days at Foodology were entirely focused on building the operation. They brought on their first employee, a professional chef, because they needed someone who already knew how to create exceptional dishes. They formed a kitchen team, looked

for a marketing team to help with the branding and promotion of their first brands, and spent time figuring out how to build the operational side of the business: how to organize the kitchen, how orders would come in, how food would be delivered, and so on. “We started in June, and our first order went out on September 26,” says Daniela. “We went from having nothing to having a business that could already produce food.”

When bringing new team members on board, Daniela and Juan Guillermo focus on specific elements. They want people whose attitude and values align with those of Foodology, and they look for individuals who have experience in the area they’re hiring for. “That said, we’ve placed a lot of emphasis on people’s drive and potential, beyond just what they already knew how to do,” Daniela explains.

Daniela is well aware that they’re not building rockets or working in an extremely complex industry. “We’re not creating a cryptocurrency or a blockchain with artificial intelligence. This is something that intelligent, curious, and self-taught people can learn to do,” she says. “The most important thing is that they are strong leaders and that they have a high cultural fit with Foodology.”

Daniela believes that one of the most challenging steps is building a company’s culture.

If you’re not proactive and intentional about shaping the culture from the very beginning, it becomes much harder to do later on, especially now that Foodology has a presence in several countries.

One of Foodology’s core values, perhaps the most important, is that “we are WOW,” says Daniela. As a team, they aim for customers to say “wow” every time they open an order from the company. They even have a dedicated Google Chat channel where team members share examples of “wow” customer experiences delivered through Foodology. The goal is to reinforce their values and make them a part of everyday life within the company.

When building a startup, creating a strong culture is undoubtedly important, but an even greater challenge in entrepreneurship, especially in Latin America, is raising capital.

“There aren’t that many funds or much available capital. It’s definitely a challenge that you have to be prepared for and persistent with,”

Daniela acknowledges.

From the very beginning, Daniela and Juan Guillermo sought funding because they knew they would need it to get the business off the ground. They initially turned to friends and family to set up operations, and a few months later, in 2020, they carried out their seed round.

"It was difficult because the pandemic had just begun. This might be something people don't remember, but back then, investors wouldn't put money into a company without meeting the founders in person or seeing the product firsthand, et cetera. I think we were among the first to raise funds over a Zoom call. It seems normal now, but it wasn't back then." By the end of 2023, Foodology had raised 65 million dollars through a combination of venture capital and debt.

The pandemic also brought hundreds of obstacles to Foodology's growth. In Colombia, Daniela explains, there was a nationwide lockdown and widespread panic. During the first two weeks, sales dropped by 50%. "I think it was that moment when everyone emptied the supermarkets because they thought the world was ending. Then, after that, people said, 'Well, I still have to eat,' and they started ordering delivery. That's when demand skyrocketed up to 300%."

Although the surge in orders was good news, it brought with it highly stressful operational challenges for the founders. The Colombian government, Daniela recalls, made sudden changes to its policies: at times, delivery drivers weren't allowed on the streets, or only people with certain details on their ID cards were permitted to go out. "Every day I was just waiting to see what the news would be," she remembers.

On the other hand, Foodology's suppliers also faced serious consequences. They were used to selling their goods to restaurants, but with the pandemic, their sales volume dropped to just 10%, Daniela explains. "We were one of the few clients they had left. Many of our suppliers began to go out of business." In one instance, during just the second week of the crisis, the company that supplied them with orange juice went bankrupt. "Where are you supposed to find another orange juice supplier in the middle of a pandemic?" Daniela says.

Managing employees was another critical challenge for Foodology during the pandemic. In the early weeks, Daniela reveals, team members were upset.

They said, **"All the restaurants are closed and people are staying home. You're making us come to work, and it's dangerous."**

However, a month and a half later, the mood had shifted significantly. Many of the people who had initially stayed home were now unemployed because restaurants couldn't keep them on without being able to operate due to the total shutdown.

Foodology's workers were now grateful to still have jobs, but they were also afraid, worried about the virus and the risks they were facing.

Daniela and Juan Guillermo wrestled with the decisions about what measures to take. "We tried to do everything possible: we provided private transportation, we conducted weekly COVID tests in the kitchens... People forget, but it was a time when even the health authorities in Colombia didn't really know what to do. It was stressful," she recalls.

Growing Foodology in that scenario was challenging. Finding locations to open kitchens or hiring people was not an easy task. Additionally, Daniela and Juan Guillermo were looking to expand their operations to another city in Colombia, so they had to drive to Medellín because flights had been canceled. It was an eight-hour trip. Over time, they managed to overcome the obstacles and continue growing, but for a year they were limited in how fast they could expand, as they couldn't even travel to Mexico, the next country where they planned to take Foodology.

Growth and advice for entrepreneurs

Four years after its founding, Foodology is now present in Colombia, Mexico, Brazil, and Peru. To achieve this expansion, they applied the same operational model in each new location, although they had to change suppliers and adapt the brands they offered. "You either have to adapt the brands you already have to the local markets or create new ones that are more appealing. But since our model is based on creating brands to fill gaps and meet needs, it was already implied that we'd have to come up with new ones," says Daniela.

As Foodology has grown, Daniela and Juan Guillermo have also had to grow and evolve to keep up with the

pace. Presently, Daniela's top priority as CEO is to build a great, motivated team and to ensure she has the best strategic vision for the business.

"I feel that if I do those two things, the rest of the team can execute on them. Because it's already a very large company, 1,200 people. I'm no longer the one moving the needle. What I do in a single day now makes little difference to the organization. The best thing I can do is make sure we have the right people focused on the right things," Daniela explains.

She also shared some key insights into her growth as an entrepreneur. One of them is the importance of embracing feedback with a positive mindset. Listening to others and

directly asking them how she can improve and where she's falling short has made her a better leader.

Having good mentors is another key factor. Daniela relies on her board of directors and investors, many of whom were founders themselves in earlier times, to learn as much as she can from their experiences. Reading and listening to podcasts have also helped her gain valuable insights and knowledge.

And those habits have helped her develop her creativity, something she deeply values in her role at Foodology. What she enjoys most is giving customers incredible brands, overseeing operations, and nurturing the company culture.

For now, Daniela says she loves her job and doesn't see herself selling the company. **"I hope I can be here for many, many years,"** she says.

From the start, Daniela didn't pursue entrepreneurship driven by money. What motivated her was the impact she could create and the growth potential she saw in Foodology. She didn't stand still, she saw an industry, analyzed 20 problems and picked one; Daniela fell in love with an idea, and that's what set everything in motion. When all the pieces came together in her mind, she told herself: "This could be interestingly big, regardless of whether I become a millionaire or not."

In this sense, Daniela believes that if you build something powerful and big, the money will come sooner or later.

"I'm also realistic. I've always been very fortunate to be financially comfortable. That helps take the pressure off, not having to worry about how to pay next month's rent," she says.

In any case, she considers herself a simple person. "I'm not thinking about mansions or cars. I believe the money will come as something big grows, but what truly inspires me is observing something big rather than having a bunch of zeros in my bank account."

Currently, Daniela believes there are far more opportunities to become an entrepreneur, partly because there's growing interest from foreign investment funds in Latin America. However, she's quick to point out that more opportunities don't mean the journey will be easy or simple.

Reflecting on why Colombia seems to be fertile ground for entrepreneurs, she feels the key lies in the resilience and drive Colombians have to always give their best. "I really do notice a cultural difference. Colombians are incredibly dedicated to their work, and I think that's why so many strong entrepreneurs come from here, because we're very passionate in that way."



However, Daniela also believes that Colombia eventually becomes too small for entrepreneurs. “If your ambition is to build something big and also to raise capital quickly, it’s almost impossible to stay in Colombia, because the size of the market quickly stops being attractive to most investors.” For Daniela, Colombia is a great place to start and incubate a company, but when it comes time to scale, you need to look toward other countries in the region, like Mexico or Brazil.

“I’m blindly convinced that if Foodology were based in the United States, we’d already be a unicorn, because investors significantly discount companies just for being in Latin America,” she says. In that sense, Daniela feels proud of what they’ve built and firmly believes that Foodology has nothing to envy from North American companies.

To new entrepreneurs, Daniela offers two pieces of advice that go hand in hand. The first is to pursue something they are truly passionate about. “Entrepreneurship is a job that goes way beyond eight hours a day, five days a week. This is 24/7. Now imagine talking about something 24/7 that you don’t even like. People can do that in a 9-to-5 job, but when it’s 24/7...

Her second piece of advice is to really think about whether you want to be an entrepreneur. A mentor of hers, another successful entrepreneur—told her this when she mentioned she wanted to start her own business: “You’re making a lifestyle decision where you have to accept that you’ll be working 24/7, that there are no vacations, no money at the beginning, that you’ll be more stressed than in any other job you could have, that you’ll need to be extremely resilient, and that most days will be tough.”

Although there was a time when being a company founder seemed glamorous, she admits it’s anything but. “It’s the hardest, messiest, and most stressful thing.”

Daniela assures. For her, having a job or becoming an entrepreneur are equally valid choices. **But she chose the path of entrepreneurship, and it’s been the greatest adventure of her life.**

TAKEAWAYS

- ✓ It is possible to turn your hobby or passion into a business, if that's what you want. **Think about how you could bring value to potential customers** and analyze what your differentiating factor could be.
- ✓ It's not always clear **when or where you'll find the inspiration** to start a business. It can happen in a class, on a trip, in a conversation with friends, or by reflecting on your past.
- ✓ When bringing new members onto your team, **consider whether they will be compatible with the values** you're trying to promote in your company.
- ✓ **Culture is a critical element** when building successful companies. Aim to create challenging environments where the team can be their best selves and bring the most value possible to customers.
- ✓ **If you want to expand** your business to new places, **you may need to change elements** of the value chain, such as suppliers or the products you offer.
- ✓ **As a company grows**, the leader stops being the one who executes and instead focuses on keeping the right people motivated to meet the right goals.
- ✓ **To improve as an entrepreneur**, it's key to be good at receiving feedback, have strong mentors, and constantly seek to learn through reading or other educational resources.
- ✓ When starting a business, you should know that **at some point you may need to raise funds**. Being a good fundraiser can be just as important as executing your venture's key activities effectively.
- ✓ You can't know for sure if your relationship with your **co-founder** will be successful, but **it's wise to get to know them** and spend as much time as possible together to increase the chances of success.



DANIEL VOGEL

The crypto-preneur

Connecting dots

Long before founding one of the most valuable startups in Latin America, Daniel Vogel worked as a systems engineer for a company in San Francisco, California. There, he met Julio, another Mexican like himself, who worked in the company's cleaning department. One night, unexpectedly, Julio asked Daniel to lend him 300 dollars; he needed to send money to his daughter in Mexico. Without realizing it, this moment would mark the beginning of Daniel's path as an entrepreneur.

Julio and Daniel had known each other for at least two years. When Daniel stayed late at work, they would occasionally talk about soccer, politics, or anything related to Mexico. Little by little, a bond began to form. However, Julio had never made a request like that before.

—Why do you need the money? —Daniel asked, curious and concerned.

Julio told him that his daughter needed to buy some school supplies a few days before he would receive his paycheck from the company.

—My daughter only needs 25 dollars, but they charge me 15 dollars to send the money to Mexico. It would be way too expensive to just send those 25 dollars, so I'd rather borrow money from you and pay you back in two days when I get paid."

Even though he was a Mexican living in the United States, Daniel had never needed to send money to his home country. Until that conversation with Julio, he was completely unaware of the extremely high cost many of his fellow countrymen had to pay for each remittance. It was a real problem.

As Daniel lent the money to Julio, his mind drifted back to a few days earlier, to the night he first heard a curious, mysterious word that would change his life and the lives of millions of people around the world: Bitcoin.

That night, Daniel was hanging out with some of his college friends who had moved into the house right across from his in San Francisco. There, he ran into Mike Landau, a close friend he had met at Stanford, an expert in technology who would go on to work as a software engineer at Facebook and Airbnb, and later co-found several companies like Jetpack.io and Cut+Dry. He was the one who brought up the topic:

—Have you heard about something called Bitcoin? —No —Daniel replied.

—Well, I have a feeling it's something you, in particular, would find really interesting.
I recommend you look into it—I'm sure you'll like it.

Daniel vividly remembers what happened next. He got back home at two in the morning, opened a browser tab, and typed "Bitcoin" into the search bar—just so he wouldn't forget the word before going to sleep. However, for some reason, Daniel couldn't contain his curiosity and decided to click on the first link that appeared...

And what he read completely blew his mind. Sleep vanished from his body as adrenaline began to rush through his veins.

"An economic experiment to create a decentralized digital currency, not dependent on any specific government or central bank," those were the words he read in the description on that website.

Daniel then fell into a loop, a spiral he neither could nor wanted to escape from, giving in to his hunger to learn more about this strange and mysterious thing. The next thing he knew, it was six in the morning, and sunlight was streaming through his bedroom window.

From that night on, Daniel became obsessed with the subject. He was fascinated by the philosophy behind Bitcoin and all the potential it held, but he didn't quite know how it could have any practical use in his everyday life... until he heard about the problem his friend Julio was facing when trying to send money from the United States to Mexico.

"To send 25 dollars, Julio basically has to lose 15. That makes no sense at all... What if Bitcoin is the solution to this problem?"

Daniel thought, as all the pieces started coming together in his mind.

That's when he realized he could help many migrants save significant amounts of money using that emerging technology.

From that moment on, Daniel's life changed irreversibly. Neither his friend Mike, when he first told him about Bitcoin, nor Julio, when he shared the struggles migrants faced in sending remittances, could have known it, but Daniel was about to embark on a personal journey that would lead him to build one of the most promising companies in Latin America.

Today, Daniel is the CEO of Bitso, a digital cryptocurrency exchange platform that also offers financial services such as payments, savings, and investments around the world.

In 2021, Bitso became Mexico's second unicorn, surpassing a valuation of one billion dollars. Nine years after its founding,

the company has more than 500 employees, and in 2023, its goal was to move over 5 million dollars in remittances from the United States to Mexico.

Daniel speaks English, Spanish, German, and Portuguese. He plays the guitar and piano, enjoys going to the gym, is passionate about solving puzzles, and is a licensed pilot, so he is certified to fly small aircraft. He also admits to being obsessed with solving problems, something that has helped him maintain high energy throughout his journey as an entrepreneur.

The desire of invention

As a child, Daniel didn't dream of building a company in the cryptocurrency sector, nor did he question what money really was. Inspired by Dr. Chun-Ga, an iconic character from Mexican television, Daniel would always say he wanted to be a scientist.

Daniel had always been drawn to books and stories where the main character realizes the world doesn't work the way they thought it did, like 1984 by George Orwell, Brave New World by Aldous Huxley, or Fahrenheit 451 by Ray Bradbury. He always felt a deep connection to that kind of narrative.

On top of that, Daniel had always been deeply passionate about computers. At school, his friends even nicknamed him "Megabytes."

When he first learned about Bitcoin, it felt like two of his greatest passions had come together. For the first time, he began to question what money really was, what role central banks played, how governments were funded, and how technology could transform the way money moved around the world... and everything just clicked.

Over time, he saw his older brother creating websites. Driven by curiosity, he eventually built a web platform where he uploaded movies and information about remote control cars, and he got paid through the ads displayed on the site.

Daniel studied at the American School Foundation in Mexico City, where he learned under an educational model designed to equip students with the tools to develop problem-solving methodologies for a wide range of challenges.

His father was an important influence on him. While growing up, Daniel's dad was always bringing new business ventures into the home, ranging from shampoo factories to flavored tequilas.

Being surrounded by that kind of dynamism, and witnessing some of those ventures succeed while others failed, **filled Daniel with a sense of excitement about taking risks and becoming an entrepreneur.**

In this sense, following in his father's footsteps and applying the lessons he was learning at school, Daniel was drawn from a young age to the idea of coming up with an idea, developing it to create value for potential customers, and then selling that product or service. He

was a natural-born entrepreneur, so much so that, together with a friend, he convinced his school to let them teach a course on entrepreneurship.

Over time, Daniel realized that what truly attracted him to being a scientist wasn't working in a lab, it was the idea of inventing. For many years, he believed that only scientists could create inventions, but as he grew older, he came to understand that invention and innovation could come from many different angles. Through computers, he discovered he could also create something useful for others.

Daniel believes that much of what they do at Bitso today is deeply connected to that childhood desire to invent, to think differently about how the world could work.

When it came time to choose a university, Daniel applied to Stanford. He was always clear about what he wanted when making that decision: he believed that by studying abroad, he could gain technological knowledge that he could later apply in Mexico. He wanted to bring the development happening in other countries back to his own. That's how he came to study Computer Science and Economics.

In his free time, he was no longer obsessed with work-related problems. Instead, he spent hours thinking about the future of money, about Bitcoin, and its implications for society and the world.

And his experience at Stanford had a huge impact on his life. He met people from many different cultures and also encountered entrepreneurs and leaders who were already well along their journeys, people who had accomplished incredible things with their lives. That was deeply inspiring for Daniel.

Although he believes that studying abroad or attending a top-tier university isn't a requirement to become a successful entrepreneur, Daniel is certain that he wouldn't have learned about Bitcoin so early on if he hadn't left Mexico or lived in Silicon Valley.

"I found out about Bitcoin because I was surrounded by people who were able to see it when others couldn't,"
Daniel says.

At the office, Daniel recalls that people stopped calling him by his name and started referring to him as "the Bitcoin guy" because he talked about Bitcoin all day long. It was around this time that Daniel realized something had changed in him:

He even began experimenting with friends, mining, making different types of transactions, and exploring how it all worked.

Realizing that his priorities had shifted and that his current work no longer fulfilled him, Daniel decided to make changes in his life. He quit his job and enrolled in an MBA program at Harvard Business School. There, just as he had done at the office, Daniel continued talking about Bitcoin to anyone who was willing to listen.

Although many of his classmates taking the masters degree thought Bitcoin was nonsense, Daniel enjoyed debating the topic. He was surrounded by very smart people who had solid, well-founded arguments for why they believed Bitcoin was doomed to fail. For Daniel, it became an intellectual exercise, especially because many of these people came from the world of finance and investment banking, with a much deeper background in those areas than his own.

Around that time, a friend told him, **“Hey Daniel, I’d love to introduce you to my cousin. I only know two people in the world who talk about Bitcoin: you and him, and you’re both Mexican. I think it’s worth it for you two to meet and talk.”**

That’s how Daniel met Pablo González, who would go on to become one of the co-founders of Bitso.

Pablo discovered Bitcoin in 2013. At the time, he was working in Canada in a completely different field, as a designer for science fiction movies for Hollywood. That’s when he came across the Bitcoin white paper, the document that laid out all the vital and foundational information about the cryptocurrency. From that moment on, just like Daniel, Pablo fell into an obsession.

Together with Ben Peters—who would also go on to become a co-founder of Bitso—Pablo set out to create a company in Canada with the mission of turning Vancouver into the first city to run on Bitcoin, trying to evangelize its residents about the technology, as Pablo shared in an interview with *El Universal Puebla*.

Pablo brought the idea that would give birth to Bitso: creating a Bitcoin-based platform in Mexico that would allow millions of people to send remittances. In an effort to win Daniel over, Ben said to him:

—Look at it this way: if we managed to process just 1% of the remittances from the United States to Mexico and charged 1% to do it, we’d have an amazing business.

From that moment on, a strong connection began to form between Daniel, Pablo, and Ben. The three of them started discussing what they could do together, how they could build it, and what the final business would look like.

Daniel Vogel



2014

Founds **Bitso** with the goal of reducing remittance costs using Bitcoin.



2016

Bitso **survives** the crypto winter despite industry-wide difficulties.



2017

Massive growth fueled by the rise in Bitcoin's value, achieving up to 100% monthly growth.



2021

Bitso becomes **Mexico's second unicorn**, with a valuation exceeding one billion dollars.



2023

Bitso **expands** its payment infrastructure in LATAM, breaking transaction records.

Birth of Bitso

During the summer of his masters degree, Daniel secured funding that allowed him to spend the summer building something related to Bitcoin. That marked his first attempt at launching a venture related to cryptocurrencies.

Daniel went to New York and created a system that would allow Mexican migrants to send remittances through a Bitcoin ATM. However, he ran into many problems trying to make it work. In Mexico, many of the people receiving the cryptocurrency had no way to convert it into their currency, pay for goods, or put it to practical use. The financial infrastructure and public understanding of Bitcoin simply weren't there yet.

His business idea was ahead of its time, and he was forced to rethink everything.

At some point, Pablo and Ben reached out to him again. Both of them knew they wanted to start Bitso with Daniel. But the idea scared him a bit. He didn't know them that well, and he understood that co-founding a company with someone was practically like entering a marriage. Although they had met in Mexico to discuss how the business could work, nothing had been finalized yet.

So Pablo and Ben invited Daniel to a Bitcoin conference in Miami. "Come join us and we'll keep talking," they told him. "Oh, and we rented a yacht!" Even though the meeting might not lead to a partnership, Daniel wasn't about to turn down a weekend on a yacht. He recalls that they sent him the coordinates and told him which dock to go to...

"But when I got there, it definitely wasn't a yacht. It was a little boat that, by sheer luck, wasn't sinking," Daniel recalls, laughing. The "yacht" couldn't even sail anywhere, it was just anchored to the dock. There, the three of them spent the weekend together, bonding, getting to know each other, and thinking about the future of Bitcoin and what it could mean for international transfers and for investment opportunities.

And that's where their partnership was born. The three of them began their adventure with Bitso, whose name had been suggested by Ben, without even having a fully defined business model.

At that time, everything was driven by excitement. They focused on the fact that there were many real-world problems that cryptocurrencies could help solve, and that mission remains one of their passions to this day.

When they raised their first round of investment, he recalls, their pitch focused entirely on the relevance Bitcoin would have in the future.

“If this works, the business side should sort itself out,” they thought.

The idea was to become an exchange, following a business model that already existed abroad, charging a commission for every transaction. They were fortunate to convince a group of investors willing to bet on them, but from that point on, the journey was far from smooth sailing.

Although they had raised two and a half million dollars in investment and were very excited, all three of them were worried about one thing: it seemed impossible to reach the number of transactions needed to justify the valuation they had given Bitso during the funding round. They had some rough months, but what ended up happening wasn't just that they reached their goal, but in fact they exceeded it by a wide margin.

Their business was always focused on the Mexican market, so from the very beginning, they reached out to the country's authorities to avoid any irregularities in their business and ensure a positive experience for users. In fact, later on, Bitso went on to collaborate with the Mexican government in the creation of the Fintech Law.

Bitso was born during a turbulent time in the cryptocurrency ecosystem. Although 2013 had been a year of growth for Bitcoin, marking the first time it surpassed 1,000 dollars per coin, it was soon followed by a crypto winter, during which its price dropped sharply. The largest exchange at the time, Mt. Gox filed for bankruptcy and collapsed. Many believed that this would mark the end of Bitcoin, and as a result, the future prospects for Bitso looked anything but promising.

That entire period of uncertainty made it even harder for Bitso to close its first round of investment. In January 2016, Daniel recalls, some prominent voices in the crypto ecosystem publicly declared,

“Bitcoin is dead. I've sold everything I had. Its value is going to zero.”

Even though everything was already lined up, when the news broke, the potential investors pulled out of the deal.

Little by little, they overcame the obstacles, but it wasn't until 2017 that things really began to look up. That was the year Bitcoin not only recovered its 1,000 dollar price point but skyrocketed to nearly 20 thousand. As a result, Bitso experienced gigantic growth. Transaction volume, revenue, and user numbers surged dramatically.

Daniel remembers it as an incredibly exciting time, but also a highly stressful one. They weren't growing by 5% or 10% per month, but rather, it could exceed 100% monthly growth.

"The month we grew the most, we grew almost 20 times more than what we had done the previous month," says Daniel, emphasizing how hard it is to prepare for periods of such rapid expansion.

"It's really tough to manage. Everything breaks."

He also points out that what makes the recipe even more challenging is not knowing when those explosive growth moments will come. Still, from an operational and technological standpoint, Daniel affirms those phases are incredibly fun, challenging, and exciting.

To endure the stress and long working hours during challenging periods, Daniel explains that at Bitso, they've developed their "grit," a term coined by psychologist Angela Duckworth, referring to the combination of passion and perseverance. He believes this quality has been key to maintaining commitment and high energy levels during times of uncertainty.

At Bitso, they've learned that both periods of rapid growth and times of overall downturn in the cryptocurrency market are challenging, though for different reasons.

The moments when Bitso is growing and the market is booming are full of adrenaline, but the workdays can be overwhelmingly long. Daniel recalls one time he went on vacation with his family during a peak period, and he couldn't do anything but work on his laptop.

His father even told him, **"Daniel, you need to rethink your life. You practically don't have one, you're only working!"**

The adrenaline kept him going, giving his all for the company, but Daniel soon realized that he wouldn't always be able to sustain that same level of intensity. "Obviously, at some point, you burn out," he says. In this sense, he learned the importance of rest, and of making a conscious effort to take it himself. Over the years, he developed the maturity to recognize when he's no longer thinking clearly, and to go to sleep when that happens.

In any case, at Bitso, they learned valuable lessons from the first crypto winter they experienced and have since made a point of preparing for future ones. Given the volatility of their market, they've worked to make their costs much more flexible.

“You don’t want to have a customer support team sized for five million users if, three months later, only one million are actively transacting on the platform,”
Daniel explains.

Their business has focused on building greater flexibility to scale both costs and system capacity depending on the period they’re in. “You need more servers when demand is high, but fewer when we see a drop in the number of users and transactions,” Daniel explains. At Bitso, they take advantage of emerging technologies like artificial intelligence to automate this variability process. Thanks to this transformation, they’ve gained more control over the most volatile part of their business.

During the good times, Daniel assures, the challenge is simply keeping operations running. The media is enthusiastic about the company, everyone wants to hear their story and understand why cryptocurrencies are rising in value. But the situation is completely different when the market takes a downturn.

“When things go downhill, you have lower revenue and transaction volume, and there’s far less interest in Bitso, in Bitcoin, or in cryptocurrencies in general,”
Daniel explains.

“You swing from one extreme to the other, from overhyped headlines claiming that blockchain is going to cure cancer, to others declaring that crypto assets are the biggest scam in history.”

During downturns, doubts start to arise among Bitso’s partner companies and even some investors. But Daniel insists that none of those doubts have ever been strong enough to make him question whether cryptocurrencies have a future. In difficult times, rather than doubting Bitcoin’s long-term potential, Daniel focuses on what he can control: he reflects on how they can remain competitive, whether they’re investing in the right initiatives, and whether adjustments to the business model are needed.

During bear markets, Daniel holds on to their mission, to why they do what they do, and why they founded Bitso in the first place. He invests time and resources in keeping morale high to be able to keep building the future.

“All of our remittance and international transfer operations should still work whether Bitcoin falls to \$5,000 or rises to \$500,000,”
Daniel explains.

After all these years working in such a complex sector, Bitso came to understand the importance of broadening and diversifying its business lines, aiming to ensure the company doesn't rely solely on the price of cryptocurrencies.

Currently, continuing their transformation, in response to market volatility, they've been building payment infrastructure across various Latin American countries which has allowed them to continue breaking internal records for both transactions and revenue.

Advice for entrepreneurs and Daniel's future

At Bitso, they constantly face extremely complex challenges, which is why Daniel, as CEO, has had to adopt various methods to clear his mind, overcome stress, and continue adding value to the company.

The first of those methods is being clear about what the most important thing he can do each day is.

“Sometimes it might be something unappealing, but it still has to be done,”
he explains.

At the start of each day, he asks himself how he can bring the most value to the organization, what thing will generate the greatest impact.

Daniel has another strategy, he defines which tasks are the most critical for the business and which ones, while less important, still need to be done so as not to hold back the rest of the team. He refers to these as his most important tasks and least important tasks.

“If the legal team sends me a contract that, for some reason, I have to sign... I know that's not going to make the company 100 times more successful, but if I don't sign it, I'm blocking someone else from making progress in their day,” says Daniel. So what he does is group all his least important tasks

into a specific time block during the day to try to complete them efficiently. If he doesn't finish them all, he pushes them to the next day because his focus has to remain on completing the tasks that truly are critical for Bitso's success.

For one hour each day, Daniel focuses on clearing his email inbox, replying on Slack, answering WhatsApp messages, signing documents, or giving feedback on projects his team has sent him. When he's unable to complete a task, he commits to let the relevant people know he was unable to do it that day, because he believes providing clarity to his team is essential.

“To get all of that done, even if it sounds a bit counterintuitive, it's important to have space to think,”
Daniel explains.

He tries to carve out free time during his day to clear his mind and determine what truly matters. In those moments, depending on his mood, Daniel might read a book, exercise, go for a walk, get swept away by the internet, or log into Bitso's internal social network. What he's aiming for in those periods is to mentally disconnect from everything happening around him.

As CEO, Daniel's biggest challenge is building a high-performing team capable of continuing to shape Bitso's future. Daniel is fascinated about the idea of leading the company for many more years because he wants to take it far beyond what it has already achieved, so, for now, he doesn't see himself selling Bitso. But, he adds,

“If I'm no longer the right person for the job, I'd like to believe that the people around me will be able to tell me and that we'll be able to make a change,”
says Daniel.

To all new entrepreneurs, Daniel recommends developing their “grit” that blend of passion and perseverance.

“You need it to maintain focus, determination, and sustained effort over the long term in order to reach your goals,” he explains, fully aware of the many obstacles and setbacks that arise when one decides to embark on the entrepreneurial path.



Daniel was clear about his passion from the very beginning of his journey, from the night he first read about Bitcoin.

And when it comes to developing perseverance, he advises future entrepreneurs to find a problem they are passionate about, because that passion will be the fuel that keeps them moving forward.

Outside of his work at Bitso, Daniel supports an art collective in the state of Oaxaca, in Mexico, that creates traditional pre-Hispanic art, an effort aimed at preserving this part of cultural heritage. Additionally, through the Endeavor network, Daniel shares his experiences with individuals at different stages of their entrepreneurial journeys, pushing them to grow.

TAKEAWAYS

- ✓ **Connect the dots.** It's possible that there are things you're passionate about that could help solve problems affecting thousands of people.
- ✓ **Surround yourself with people who have done great things** and who can see what others don't. By doing so, you may be able to spot problems, scenarios, or opportunities that will help you on your path as an entrepreneur.
- ✓ **Even if it doesn't seem like it at first glance,** processing just 1% of a huge market and charging 1% for doing so can be a great business.
- ✓ Partnering with someone to co-found a company is like entering into a marriage. **Choose carefully the person** who will accompany you on your journey.
- ✓ Business growth moments can be full of excitement, but also extremely stressful. If you're going to start a business, it's best to **be aware of this reality from the beginning.**
- ✓ **It's important to develop the maturity to force yourself to rest when you truly need it.** Pushing yourself too hard, in the long run, will be negative for your personal life and also for your role as an entrepreneur.
- ✓ If your business market is very volatile, **try to find a way to make your costs much more variable.** That way, you'll be able to anticipate times when, for example, you have high demand and suddenly there is an event that affects the market.
- ✓ **Define what's most important in your day,** make a list with your critical tasks and your not-so-relevant ones, and take time to clear your mind.
- ✓ **Find a problem you're passionate about.** That way, you'll have more energy to solve it, and it will be easier to persevere when problems arise along the way.



DAVID ARANA

The runner who's always
at the starting line

Creating an impact

David Arana had been in a fairly comfortable and privileged position for more than five years. He lived in New York, worked for one of the world's leading banking institutions, and indulged in luxuries that many could only dream of. With just a mention of his background at *Deutsche Bank*, many doors opened up for him.

However, he didn't feel completely fulfilled. David had been employed at the bank when the severe financial crisis of 2008 unfolded, witnessing how it became progressively challenging for companies to access financial services. Even large corporations struggled to secure any form of support from banks.

On the other hand, the lifestyle he led in New York failed to satisfy him completely. Despite having a good salary and enjoying the perks of his position, he had to work under a lot of pressure in a highly demanding environment. While he navigated this setting with ease, like a fish underwater, he had barely explored the city he lived in due to the fast-paced demands of his job.

David sensed there must be more to life, but his all-consuming job left him with little to no time to pause and reflect on it.

In the fleeting moments when he managed to come to a complete halt, David felt a new desire stir in his heart. He was convinced that the methodology used in the financial industry to support business growth still had ample room for improvement. There lay untapped opportunities, a path waiting to be uncovered, which could greatly benefit a significant sector of society. He understood that technology and data held the key to unlocking its potential.

First and foremost, David was driven by a desire to make an impact. He wasn't sure if it would be something grand or just a breath of fresh air, but he aimed to effect a positive change. He knew that, sooner or later, through hard work and aligning himself with the right people, he would achieve it if he set his mind to it. He just needed to take the leap.

Was he willing to leave behind a comfortable life to start building his path from scratch? He wasn't even sure completely. It wasn't until a quiet Sunday evening, in the middle of dinner with his wife, that he received the push he needed.

In theory, David was supposed to be in one of the peak phases of his professional career. He kept climbing the corporate ladder and even received significant offers to move to a competing banking institution.

Most people in his position would have been overjoyed. Many would be celebrating, but he couldn't shake off the feeling of not being fulfilled.

"What's wrong?" his wife asked, taking his hand. David's face looked expressionless; he didn't want to appear dissatisfied, but he couldn't quite act happy either. "You don't look excited."

After taking a deep breath, David opened up. He was on the verge of committing his professional life to something that didn't ignite his passion. He realized that even if he accepted one of the offers, his life would hardly change. Eventually, he would grow bored and fail to fully focus on what he truly wanted to do: make a real impact. He told his wife everything.

"I believe there's a new way to provide financial services and make them accessible to people who currently lack access to them. I think small and medium-sized businesses need an ally to grow, and I'd like to be able to support them,"
said David.

"And why not give it a shot?" she suggested, her voice filled with optimism. David had always leaned on his wife for support, but he never imagined her being the one who would say exactly what he needed to hear. "We're young. This is our moment. If you truly believe in what you want to do, why don't we just go for it?"

It was that conversation amidst dinner in one of the thousands of small apartments in New York that allowed David to feel that the time had come to venture into his quest to make an impact. **That night, Konfio was born.**

David made the tough decision to leave his job in the banking sector and his life in the Big Apple. He knew what he was made of, and despite being afraid, he had a goal in mind and wouldn't give up until he achieved it. Thus began a personal and professional odyssey that would rekindle his connection with the country where he was born: Mexico. A land where he would give his best to boost and strengthen small and medium-sized enterprises through financial services supported by data technology and artificial intelligence. He aimed to streamline transactions rather than hinder them.

Konfío has supported over 70,000 enterprises in Mexico since its founding in 2013. With a workforce exceeding 800 employees, in 2021 it achieved unicorn status after reaching a valuation surpassing one billion dollars. David couldn't have known while still living in New York, but his determination to make an impact would change his life and the lives of countless others.

Certainly, nothing would have been possible if David hadn't taken the opportunity to pause and reflect on what he wished to build. Without those moments of tranquility, he wouldn't have been able to find his way. In his own words:

“Sometimes, to accelerate, one must come to a complete halt.”

A young globetrotter

David Arana was born in Culiacán, in the Mexican state of Sinaloa, but from a very young age, he had to get used to the idea of living in different places. His father worked in the chemical industry for a multinational corporation, which led the Arana family to relocate to the United States and Brazil on a number of occasions, rotating from one place to another every few years.

As a result of his multiple homes, David is fluent in English, Spanish, and Portuguese; however, during vacation periods, the family always returned to Culiacán, ensuring David retained his Mexican heritage and accent. Currently, despite his experiences in three different countries, David sees himself as a Mexican who continuously strives to contribute to his country.

The constant relocations made him keep having to start his life from scratch, which was challenging during his youth. Adapting became difficult, but his family ties and the maturity he developed over the years allowed him to gain self-confidence and the ability to be flexible in circumstances beyond his control.

In his childhood, David was intense and mischievous. During his early years, he had too much energy and displayed a bit of rebelliousness and defiance in school. However, as time went on, he began to show a much calmer attitude and excelled academically. Alongside his academic achievements, he learned to play guitar and was even in a rock band.

During this period, he discovered his aptitude for numbers and science.

His grandfather on his mother's side played a fundamental role in many moments of his life. A restless child, David's grandfather took him everywhere: from attending baseball games throughout the season to exercising together at the crack of dawn. They even embarked on a backpacking trip across Europe, enjoying each other's company and exchanging valuable life lessons along the way.

David's grandfather served as one of his initial role models in entrepreneurship. He gained valuable insights from him, not only for business endeavors but also on a personal level. His grandfather played a significant role in shaping his character; David deeply respected and admired his discipline, witnessing his early morning jogs and commitment to a routine oriented to the long-term.

His grandfather
also taught
him the value
of hard work.
**"If you want to
achieve something,
you have to work
hard, David. There are
no shortcuts in life,"**
he would frequently
remind him.

David's grandfather didn't complete his schooling as he had to start working at the age of eleven so he always emphasized the value of education. "You have to invest in education. I couldn't, but you must,"

he would urge David. Despite his lack of formal education, his grandfather always sought ways to immerse himself in learning opportunities.

"One is always a student, it doesn't matter if you're not attending school, one must keep on learning" was a life philosophy that David discovered through the influence of his grandfather, and he is certain that it has been one of the keys to his personal and professional achievements.

With time, he
adapted it in
his way, saying
that **"you're always
at the starting
line of the race,"**
emphasizing
the ongoing
journey of
growth and
development,
both individually
and collectively
as entrepreneurs.

Oddly enough, during his early childhood years, David often said he wanted to be a banker. He looks back on this with a smile because, almost as if it were a self-fulfilling prophecy, he ended up dedicating his career to financial services.

As he grew up, David changed his plans and aimed to pursue a career as a doctor. He always had a strong interest in biology and everything related to genetics, and for a while, he thought he could save many lives

as a surgeon. However, there was one day that changed his life reshaping his trajectory and making him realize that his path wasn't in medicine.

While still living in Sao Paulo, he took part in a special event at his high school where students could explore various professions. They were allowed to take a tour of the company of their liking so as students they would be able to experience what a typical day was like in that field of work. David and the other students who wanted to study medicine were taken to a morgue.

“This isn’t for me at all,” he thought to himself as he watched two medical students enjoying a sandwich just a few meters away from a cadaver.

The stench of the morgue was unbearable, and he couldn't see himself capable of working in a place like that.

Now, he had no clue where his academic path was going. He felt lost, adrift, like someone who had just woken up from a dream.

As time went by, the moment to choose a career arrived and David faced a crucial decision. Having dismissed medicine as his prospective pursuit, he pondered his options. Although he wasn't completely sure, he knew he had a

natural aptitude for numbers, which led him to choose mathematics. This would foster a robust and structured mindset and pave the way for diverse opportunities after graduating.

While David was looking at universities, he watched a movie called *Good Will Hunting*, where the protagonist is a young math genius who attends the Massachusetts Institute of Technology, known worldwide as MIT. Now, what he wanted to study and where were set, but the path to get there would not be easy at all.

“Here, based on your interests and grades, these are the universities we recommend for you apply to,” the school counselor told David, handing him a huge list of institutions. He skimmed through them without much excitement.

“What about MIT? I think it's the only one I'd like to attend,” he responded.

The counselor remained silent as if searching for the right words to avoid crushing David's dreams.

“Um, David, in the past 23 years, MIT hasn't accepted anyone from this high school. It's going to be very difficult for you to study there. I don't recommend you apply.”

Outliers often stand out from the crowd based on how they respond to the appearance of a challenge. David's reaction to his counselor's denial was not, in the slightest, to become demotivated or frustrated.

He said to himself,
**“You know what? I
believe I can. I’m going
to find out what I’m
capable of.”**

So, he did precisely the opposite of what the counselor had recommended. David applied exclusively to MIT. He put all his eggs in that one basket because he was clear about where he wanted to study. On his own, without the help of his parents or counselors, he prepared an essay and sent

it to the institution, keeping his fingers crossed. Looking back on his actions now, he knows that it was a somewhat immature decision and that it would have been better to explore different options, but he has no regrets.

Shortly after, he received the acceptance letter. It was one of the happiest days of his life. He was set to embark on a new chapter at one of the world’s top institutions, an experience that would undoubtedly make a lasting impression.

College, adulthood, and entering the financial realm

Numbers had always come easily to David, so he assumed he could excel at MIT and stand out. He believed he would be among the top performers from the start, but soon he faced the reality that there were people significantly more talented than him.

David had not been a particularly diligent student until he entered university. He didn’t spend much time studying because he did well without putting in much effort. Upon arriving at MIT, he had to completely shift his mindset:

**“If I want
to survive
here, I have
to learn how
to study.”**

It proved to be a valuable lesson in humility. David encountered individuals of such brilliance that he began to doubt himself and even doubted his admission to MIT. However, he managed to pull himself together and, with great determination, faced the immense intensity of the institution; the lessons he had learned from his grandfather, his work ethic, and his discipline were reinforced during this period.

From his experience at MIT, David fondly remembers a part of the culture that left a mark on him. When it came to solving significant problems, students were encouraged to think outside the box, even if it meant breaking rules and acting in unconventional ways. There was a

strong push to be creative rather than mechanical, and this was something he would need in his future as an entrepreneur.

Just as he had imagined, David found that mathematics served as a tool to sharpen his reasoning skills. The education he received allowed him, for the rest of his life, to approach problems analytically, relying on factual evidence based on data. As time went by, David learned to balance this logical mindset with an understanding of emotions, realizing that despite the significance of numbers and their narratives, human decisions are often driven by emotional impulses.

During college, he was very restless. While chatting with some of his friends, he realized that most mathematicians ended up pursuing doctoral degrees and then entered the world of academia as professors...

This was not what David wanted at all.

Not long after graduating, some university acquaintances suggested that he explore the world of investment banking. The idea was that David could utilize the models he had learned during his studies to tackle real-world challenges. This option intrigued him more than pursuing a career in academia.

MIT hosted a variety of companies recruiting students; it was at that moment that David decided to

begin his career in the financial and corporate world as an intern. His decision stemmed from two key factors: firstly, he recognized the exceptional talent within these teams and seized the opportunity to learn from such sharp minds.

Secondly, David reasoned with himself, **“All right, I may excel academically, but I lack real-world knowledge in this sector. This is where I’ll gain the necessary experience.”**

And so, the childhood prophecy of becoming a banker came to life. During this phase, he discovered that having numerical knowledge and a mathematical mindset were only part of the equation for success. To thrive in the industry, he had to acquire skills as a salesman, skills in relationship building, and emotional management within an environment known for its impressive demands and a highly aggressive culture.

After completing his internships, he was invited to remain on the team due to his success in automating key company processes. Despite the bustling pace of life in New York’s financial sector, David seamlessly adjusted to the work environment. His time at MIT had prepared him for high levels of stress and responsibility, and now, in a way, he found himself mentally rejuvenated in certain aspects.

During his time working in New York's financial sector, particularly amidst the 2008 crisis, David grasped the importance of immediate communication. In this fast-paced city, everyone was expected to respond promptly to superiors or colleagues, regardless of the hour or situation. It was a professional value, a trait that deeply resonated with him and one he still adheres to, although he warns that taking it to the extreme may not be healthy in the long run.

As the years passed, David swiftly ascended the ranks in the bank's hierarchy.

Meanwhile, the seed of the entrepreneurial David began to sprout as he continually contemplated ways to enhance the industry and offer improved financial solutions to small and medium-sized businesses in the aftermath of the 2008 crisis.

Around this time, he had the good fortune to come across a book that changed his life: *Abundance: The Future is Better Than You Think* by Peter Diamandis and Steven Kotler. In this book, David encountered an optimistic view of the world and humanity's future. The authors explain that we are currently living in the best moment in history due to the abundance of information, the rise of new exponential technologies, and the emergence of innovative ideas, which will lay the groundwork for a new era of abundance for the planet's inhabitants. This fresh perspective, along with the conversation he had with his wife, was one of the reasons why David felt immensely motivated to make a positive impact.

The person who suggested the book also encouraged him to attend a week-long course at **Singularity University** in California. There, he could further explore topics related to disruptive leadership, with a focus on innovative perspectives for the future. David enrolled in the program and acquired tools that would soon serve him well during his next phase as an entrepreneur.

David Arana



Works in the banking sector during the 2008 financial crisis, where he **observes** the difficulties companies face accessing financial services.

2008-2013

2008

Graduates from MIT and joins *Deutsche Bank*, working in New York on the Latin American credit derivatives structuring team.



5th OF MAY 2013

Moves to Mexico City to found **Konfío**, aiming to offer financial solutions to small and medium-sized businesses in Mexico using technology and data.

2013-2015

Faces challenges gaining traction, but works tirelessly with his co-founder, Francisco Padilla, to build the company from the ground up.



Konfío begins to gain significant momentum, supporting thousands of businesses in Mexico.

2018



2021

Konfío achieves unicorn status with a **valuation** over \$1 billion, becoming one of the largest fintechs in Latin America.

Konfío's origins

Following the candid conversation with his wife, David resigned from his position as Vice President of the Credit Derivatives Structuring Division for Latin America at Deutsche Bank. He had been there for 6 years, but now he was embarking on the journey of building his own company, which would later achieve unicorn status.

Following his departure, he took a few weeks to explore all of New York, something he hadn't had the chance to do before. Shortly afterward, alongside his wife, he charted his course and relocated to Mexico City on May 5, 2013. At 28 years old, David had never lived in the Mexican capital, yet he was thrilled about the prospect of making contributions to his country.

Leveraging his knack for numbers, David calculated how many months they could sustain themselves with their savings while attempting to discern if there were indications that his business would thrive. However, the reality was that their time was limited.

He had to completely change his lifestyle to ensure their financial safety net lasted. Transitioning from a life of abundance and comfort to one where they meticulously watched every penny spent was a significant shift for both him and his wife.

Moreover, there were moments when David pondered the decision he had made and acknowledged that it required a touch of madness to embark on such a journey.

Recognizing that element of craziness, he realized, if properly managed, it could help him face moments of uncertainty with greater self-assurance.

However, David found a lot of support from his parents and family. He even thought his parents might express concerns about leaving such a secure position to become an entrepreneur, but he always received words of encouragement from them.

One day, after settling in Mexico City, David received an unexpected message from an acquaintance. This acquaintance happened to be Francisco (Paco) Padilla, who would later play a crucial role in Konfío's journey, eventually becoming its co-founder. "Hey, how's it

going? I heard you left New York,” the message read. They caught up over a Skype call, during which David decided to share details about his project with Francisco:

“I’m going to tell you something, Paco. My family hasn’t told me yet that I’m crazy because we care about each other deeply, and they probably don’t want to hurt me or my feelings, but I need someone to tell me that I’m out of my mind.” And then he revealed what he had been planning for the last few months.

Coming from a very different background, with a degree in Computer Technologies from the Tecnológico de Monterrey University, Francisco and David had met in New York while working at a technology company called MicroStrategy. Francisco had always been interested in the financial services sector despite his primary focus being in the tech realm, whereas for David, it was the other way around. They were poised to complement each other exceptionally well.

Much to David’s surprise, Francisco’s reaction when he told him about his plans was not to say he was crazy, but rather the opposite.

“Wow, the project sounds really interesting. Whenever you want, I can help you, okay? Especially with the technology part.”

That marked the beginning of a highly productive partnership. Although David initially considered hiring technology consultants to help him develop the project, Francisco quickly offered his assistance and helped clarify the action plan that needed to be executed. This made David realize he hadn’t fully grasped the scale of the business he was building, highlighting Francisco’s indispensable role as a technologist. Furthermore, both shared the same motivation: they wanted to contribute something to Mexico.

David sought Francisco’s guidance to understand programming basics, and together they crafted the initial version of the Konfío platform, without hiring anyone else.

Francisco focused on the most complex aspects, particularly those related to the back-end development, while David handled everything visible to the client and dealt with legal and regulatory matters of the business.

The name “Konfío” was born from the idea that the most important value they wanted to convey was trust.

David experienced his toughest moments as an entrepreneur during the first months and years of shaping the company.

At that time, one of his major concerns revolved around securing financing, as there were no investment funds dedicated to his sector in Mexico. In addition, David reflected on how in his previous corporate life, his affiliation with *Deutsche Bank* often opened doors effortlessly. This was a sharp contrast to the reality of facing difficulties in arranging meetings with key stakeholders.

David came to realize the immense brand presence that these banks had built over the years, making them highly appealing for securing partners and business deals. Meanwhile, it seemed like nobody knew him, which made him feel very vulnerable.

He encountered many of the common challenges that entrepreneurs face as they strive to establish themselves. Some days, he felt like he was making small strides, which excited him greatly, but setbacks would swiftly set him back. This cycle was particularly challenging for him because he had always been accustomed to emotional stability, even amidst the frequent travels of his childhood and his time at MIT. Now, facing the harsh realities of the entrepreneurial journey, he found it deeply unsettling. Additionally, he didn't have access to abundant educational resources, local success stories from fellow entrepreneurs, and enriching podcast content that is readily available today, all of which would have been invaluable support along his path.

David acknowledges that he didn't handle uncertainty well during the initial year and a half. In a scenario demanding his utmost dedication within strict time constraints, he became overly immersed in work, foregoing any breaks and often dedicating up to twenty consecutive hours to his business. This intense focus caused him to neglect his personal life, exceed his limits, and demand more of himself than was necessary, leading to several mistakes along the way.

Throughout this period, David was so focused on delivering a great product, finding his niche in the market, and executing his plans effectively that he overlooked the importance of staff development and team building. With time, he realized that nurturing his team's skills and capabilities is a critical aspect that should never be overlooked.

Due to their limited budget, Konfio became extremely cautious with expenses, to the extent that it might seem ridiculous.

For instance, they once ran out of tables and resorted to using boxes as substitutes. While David admits they went too far in that situation, he believes that their disciplined approach has helped them maintain financial prudence even in times of abundance.

In this regard, David understands that mistakes are an essential part of the learning process, a lesson he learned partly from his experience at Singularity University. He acknowledges that while some mistakes are costly, making small, quick errors is necessary for continuous improvement and growth, both as a leader and as a business.

During challenging times at Konfío, they had to uphold their company values. When David contemplated whether to slow down operations, a client presented them with a ridiculously attractive proposal. Despite their initial excitement, David decided to conduct a thorough investigation, as something about the offer seemed off. What he uncovered was not promising.

Despite being in the valley of death, a point where every investment is welcome and any mistake could cost them all of their work, David and Francisco decided not to proceed with that negotiation. They believed their values didn't align with those of the potential clients. It could have been a very costly long-term mistake, but they stood by their principles despite being in a critical situation.

During that time, David had a meeting with a potential investor. He was highly excited, always expecting the best, but what he received was very harsh feedback.

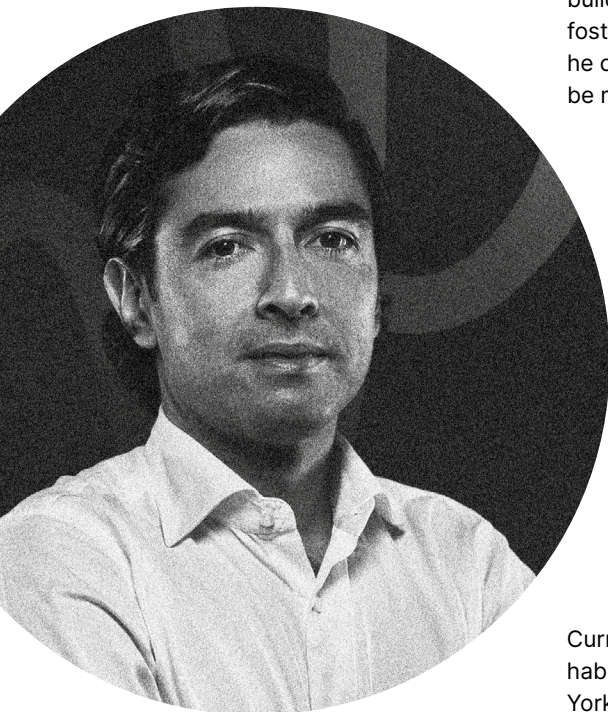
“Hey, what you are thinking of doing is so wrong that I believe you’d better ask for my consultation and advice. Your project shouldn’t even exist; you’re both out of your minds,”
they said.

The impact of those words was so profound that David left the meeting feeling shaken. He took an hour and a half to sit quietly and reflect, allowing himself the space to gather his thoughts. During this time of introspection, he questioned his decisions and wondered if there was validity to the criticisms he had received. He wanted to find the strength to accelerate again after that halt.

“What am I doing?”
he said to himself.
“Could they be right?”

Though it was difficult and he spent some time feeling unsettled, David rose again. He knew what he wanted: to make an impact, to seize a great opportunity, and that's what drove him to keep going.

While at some point he thought the journey would get easier, David found that in the world of entrepreneurship, everything becomes increasingly complex... However, he also learned that entrepreneurs adapt to challenges, discover tools to overcome them, and graduate from difficulties to



He is aware that attending prestigious universities like MIT, Harvard, or Stanford can help build credibility, pave a path, and foster important relationships, he considers other factors to be more relevant.

He believes it's important to build good plans and to be careful with their execution, and that it's crucial to have a team with strong values, motivated, skilled, and focused on objectives.

face larger issues as their company develops. In this sense, David also found solace in sports; just as he did with his grandfather as a child, he now starts his mornings with a run to carry the rest of the day with positive energy.

Today, having become the co-founder of one of the largest companies in Latin America, David advises entrepreneurs to launch their projects, to try to move forward, because he believes it's the only way to learn.

Currently, David maintains some habits from his former life in New York's financial sector. He feels the urge to quickly respond to his phone when he receives a message; cell phone alerts stress him out, and he likes to keep his inbox clean.

As a final piece of advice for entrepreneurs, David believes it's essential to be authentic and avoid simply replicating what others have done. Every entrepreneur is different, and every story is unique, so one should strive to be oneself and adapt to the surrounding context. While we can learn from their success stories, we don't always have to copy what Google and other huge companies have done.

TAKEAWAYS

- ✓ **Listening to our desire to make an impact** is a great way to start our journey as entrepreneurs.
- ✓ Sometimes, in order to accelerate, **we first need to completely halt**.
- ✓ Maintaining a healthy routine, exercising, and thinking long-term are **important** steps for leading a **balanced life** as entrepreneurs.
- ✓ Hard work and education are **non-negotiable elements** for achieving **success** in life.
- ✓ Entrepreneurs should embrace **a mindset of continuous learning and improvement**. Recognizing that there is always room for growth and development, while treating each endeavor as a fresh start, can help cultivate the focus and discipline necessary for success.
- ✓ Things you **did before may not be useful** in your present or future.
- ✓ **The working world provides knowledge** that you don't get in university. Before starting a venture, you may learn a lot by first entering a sector that interests you as an employee.
- ✓ Technical skills and logical thinking are very useful, but **learning to** relate, sell, and understand the emotional side **will take you even further**.
- ✓ **Entrepreneurs** need to be at peace with **the component of madness they carry within**. It is that madness that allows them to face moments of uncertainty with more confidence in what they do.
- ✓ **Mistakes are necessary for learning**. Making quick but small mistakes is necessary to improve on the go and grow as a leader and as a business.



DAVID VÉLEZ

Looking at opportunities
with the eyes of a beginner

The unexpected birth of an idea

On that quiet day in 2012, David Vélez was in Brazil and needed to open a bank account. He thought it would be a simple process, why wouldn't it be?

He then headed for a branch in Sao Paulo of one of the most important banks in the country. Unfortunately, as soon as he walked through the door, he realized that something was completely wrong. There began a horror story.

“It was an experience that was hard to even imagine,” says David.

The first thing he realized was that he could not enter the bank. He had been imprisoned between the two entrance doors, which were armored. The building alarm went off. David looked around in surprise. It was a surreal situation. He soon learned that it all happened because he had his phone in his pocket and his laptop in his backpack.

Two armed guards came out to meet him. “They saw me as if I were a criminal, as if I were trying to rob the bank,” David says. They asked him in an unfriendly tone to leave the branch and to leave his backpack in a locker outside the building. Arming himself with patience, David obeyed and then re-entered the establishment, under the disapproving or confused gaze of those in the bank.

Sitting in an uncomfortable chair, David waited until he could be served by the workers. There he sat for 50 minutes, watching the hands of the clock tick away, wondering why anyone should have to spend so much time on such a simple matter as opening an account.

Then the manager appeared. He didn't expect royal treatment, but at least a minimum of decency. He didn't even get that. Shouting, that employee asked him why he was there and what he needed. He even threw papers at him.

“As if he was doing me a favor. Actually, it should be the other way around. I'm the customer and he should be desperate to help me,” David complains.

But the disaster did not end there, but began a five-month process where he had to go numerous times to the branch because he was always missing a piece of paper or a photocopy, or had to go out and call a call center to get a document. “A whole process... it really was a nightmare.”

When he finally managed to open the account at the bank, he was surprised that he did not feel comfortable that he had achieved his goal after a grueling process.

"I was seeing that the rates were 500% per year, they were charging me hundreds of dollars," David explains. "How could this possibly be the consumer experience?" he thought at the time. In conversations with friends of his in Brazil, they would tell him that it was normal, that all banks were like this and that it was the way they had always treated people.

**—It's the way things
are always going to be
—he was told.**

Not only was David deeply disappointed by the experience at the bank, but he was also upset that everyone assumed that change was not possible. He was frustrated, but he knew how to channel his emotions into a positive place.

He had knowledge of the banking industry. After all, he had worked for one of the world's leading venture capital firms, Sequoia Capital. That humiliating experience at the bank, in fact, came at a time when he had quit his job to pursue entrepreneurship.

This was the unexpected birth of a billion-dollar idea. The bank guards, the manager (who treated David badly) and David himself could not have imagined it, but after that event a company would emerge that would cause a disruption in the banking industry in Brazil and Latin America. The malfunctioning of traditional banks would cause the creation of a giant that would be their competition.

David Velez is currently the CEO of Nubank, one of the world's largest digital financial services platforms, with 93.9 million customers globally as of December 31, 2023.

Since its founding in 2013, Nubank has grown to have more than 8 thousand employees on its team. They went public in 2021, and by 2023 have reached a market capitalization of 23 billion dollars, rising as one of the largest unicorn companies in Latin America.

And this company is led by David Vélez, a Colombian entrepreneur who gets up at about 5:30 in the morning and works out early, either going to the gym or running and cycling. He was captain of his soccer team as a child, and even played the piano and saxophone. He speaks Spanish, Portuguese, English and German. He has lived in more than six countries and reads more than 20 books a year. His first investment was buying a cow when he was 12 years old. He is a very family-oriented person, and believes that to be a great entrepreneur the key is to work hard and use a lot of energy and dedication.

**"As they
say, it's 5%
ideation and 95%
perspiration (the
combination of
persistence and
inspiration),"**
he says.

Willing to find out what his limits were

Growing up, when asked what he wanted to be when he grew up, David would say he wanted to be a scientist. His passion was in inventing, he was always a curious person.

“I asked a lot of questions, I wanted to understand why things were the way they were,” he says.

He liked to play with Legos, build buildings, and mix liquids in the kitchen to see if he could create something new.

His family was full of entrepreneurs. On his father's side, who had 12 siblings, each had their own business. His dad had a trouser button company with one of David's uncles. It was small, but it always saw him entrepreneurial and problem-solving, creating machines with his own hands. His maternal grandfather also had his own vegetable oil company.

In this sense, surrounded by so many examples of entrepreneurs, he was raised under the vision of building his own company, creating his own path and not having a boss. All of this was important and he heard it many times in his family.

At some point during his teenage years, David decided he wanted to get into a top U.S. university. “It became my personal goal,” he says.

And he was attracted to Stanford because of its proximity to Silicon Valley and because it was so close to the whole world of entrepreneurship. “I studied and worked very hard during college, and I was lucky enough to get in,” David says.

Once at Stanford, engineering grabbed him, especially since he had always loved math and physics.

“In fact, the first semester, the idea was to study math and physics, but after four classes, with some of perhaps the best mathematicians in the world next to me, I realized that I wasn't going to be anywhere near the talent and ability of the people who were in my class,” David says.

“I just didn't have the genius that a lot of these people had.”

Looking for something more practical, he found a career at Stanford called Financial Engineering. There he could study math, finance, economics and programming. “It seemed like it would help me a lot.

It was general enough that I could get experience for a certain amount of time to then prepare myself for entrepreneurship.” He chose a path where he could follow his interests and where as many doors would open for him as possible.

After graduating from Stanford, David’s main career goal was to seek out experiences that would allow him to gain the most knowledge and where he could surround himself with highly competent people. He wanted to learn about work ethic, and how to function in professional environments where excellence was expected.

“I wanted to work incredibly hard. I wanted to push my own limits, because I saw it as a time in my early 20’s where my number one, two and three focus was to develop and learn. I didn’t have a wife. It was really pushing myself and driving me to give it my all, and see how far I could go,”
David recounts.

With this in mind, he joined some of the most important companies in the United States: Morgan Stanley and General Atlantic. The first twelve months at Morgan Stanley, David says, he was giving absolutely everything he had:

“I was out of my comfort zone. I felt like I was drowning sometimes. It’s a two sided feeling, on one hand there may be fear, but on the other there is adrenaline.” I felt like I was in the right place. It was during his experiences at both companies that he learned to work with large teams, to develop a mastery of finance and investments, to understand which business was good, and to evaluate people and financial statements. In this sense, he accomplished the big goal he had set for himself.

But it was always clear to him that what he wanted to do was to be an entrepreneur in Latin America. Even when he was in college he knew that, but he didn’t even know how to start. With this in mind, he sought to optimize the learning process as much as possible. The problem was that after the first twelve months in a new company, he felt that the learning curve began to decline. “I was already feeling very comfortable and it was starting to feel easy. That’s when I told myself it was time to take the next step,” says David.

It was as if David was preparing to compete in the Olympics. He knew that at some point he would begin his journey as an entrepreneur, but it was clear to him that he wasn’t ready yet and he wanted to give himself a few years to work with great professionals, with great athletes in the corporate world, and to train. When he felt he was no longer growing at the same pace or gaining new knowledge, he would look for a new challenge.

At the end of his three years at General Atlantic, he felt it was time for entrepreneurship. To finish his preparation, he returned to Stanford to pursue an MBA. He wanted to meet people and have a space to focus and think about what he really wanted to build.

Along the way Sequoia Capital (perhaps the most important venture capital firm in the United States) came along and put his entrepreneurial story back on hold. Sequoia had invested in the past in revolutionary companies like Apple, Google, Oracle, Paypal, YouTube, Instagram or WhatsApp and they ended up convincing him to go work with them for a couple of years. And now Sequoia was interested in investing in Latin American and Caribbean startups.

For his part, David –who always knew he wanted to start a business in Latin America– joined Sequoia with the idea of creating an office from which the company could begin to invest in this region. “They were missing all of Latin America. When they saw the world, they said: ‘Here (in Latin America) we got our work cut out for us. It’s a region of 650 million people and there’s going to be a big technological revolution. Will it be worth it to be here?’ That was the question they asked themselves, and I came in to help them answer it,” says David.

During this last stage working in the corporate world, David also learned a lot. The first thing was to discover

that Brazil was not so different from Mexico, Colombia or the rest of Latin America.

“We see Brazil as a separate continent, with a different language, but it ends up being more similar than you might think,” he says.

He also understood that, from many points of view, entrepreneurship in Brazil was easier than in Colombia. “There is more capital, more talent... It is a much bigger market. In terms of opportunity, it’s bigger.” In his experience at Sequoia, he dedicated himself to understanding Brazil, learning Portuguese and making himself at home in this new country.

But it wasn’t the only thing. At Sequoia, he had the opportunity to analyze many industries, from healthcare to education to financial services, and in each of them he was able to evaluate which business models were good and which didn’t make sense. During this time, he was able to understand the competitive advantage that technology represented.

“Technology companies had certain advantages that could make them unbeatable when competing against more traditional companies,” says David.

This is something he was able to clearly observe while in Silicon Valley and see at Sequoia how the best entrepreneurs in the world tried to sell them their projects and how the team made the decision to invest or not. There David was able to understand how the founders, the team, the project and the market opportunities are evaluated, and to understand first hand what the keys were to maximize the chances of success of the startups.

The truth is that David had joined Sequoia with the plan to create an office in Brazil. They had locations in the United States, India, China and Israel, but they were missing one in Latin America.

The question they were asking themselves was, **“Is it going to be worth it to be here? It’s a region of 650 million people.”**

He came in to try to help them get an answer.

He spent two years going back and forth from Sao Paulo to San Francisco or Menlo Park, surrounding himself with entrepreneurs.

Unfortunately, after a few years of work and having analyzed more than 50 projects, Sequoia came to the conclusion that at the time it was not interesting enough to open permanent operations in Latin America. A significant number of startups that appeared were only trying to copy Silicon Valley models.

“There was a lack of vision from the entrepreneurs to really think about which markets can cause disruption, and what are the big opportunities specific to the region,”
David explains.

They lacked a more original vision, and also a greater focus on technology.

Although Sequoia's decision to leave Latin America caused frustration and surprise in David, at the same time he agreed. After all, what they were doing made sense. His boss then asked him to return to San Francisco and, from there, to continue investing with a more global vision, moving from Latin America to Asia. It was another great opportunity to be able to continue growing, but David knew clearly that it was his time for entrepreneurship. “I was tired of working for others. I was ready to prove myself.”

So he quit. He had a list of ideas in his head that he would have been interested in developing, but the then unpleasant experience at the bank happened. From then on, he could not stop being interested in solving a problem that affected millions of people throughout Brazil and Latin America.

David Vélez



Graduates from Stanford and begins working at Morgan Stanley and General Atlantic, where he learns about finance and investments.



2005

2011

Joins Sequoia Capital to explore investment opportunities in Latin America and establishes a regional investment office.



2001

Enrolls at Stanford University to study Financial Engineering, drawn by its proximity to Silicon Valley and the entrepreneurial ecosystem.



Resigns from Sequoia and, after a poor banking experience in Brazil, founds **Nubank** with the vision of offering disruptive digital financial services.

2013

Nubank goes public and becomes one of the world's largest fintech companies, reaching a market **capitalization** of \$23 billion.



2021



2018

Nubank establishes itself as one of Brazil's most important neobanks, reaching millions of customers and expanding across Latin America.

2023

Nubank has more than 93.9 million customers globally and over 8,000 employees, **standing out** for its highly efficient cost structure and innovative products.



The origin of Nubank

It was only a matter of time before David discovered that the largest companies in Brazil were banks, and that the Brazilian banking industry was one of the most profitable in the world, in good times and in bad. The truth is that he also found that there was a major oligopoly where five banks owned 85% of the market.

“In the end, that was what explained the consumer experience,”
David says. **“When you wondered why banks were treating consumers that way, the answer was that there was no competition.”**

The larger banks were comfortable and extremely profitable. They didn't have to do much to win the customer because the customer didn't have too many options to choose from. “The customer is a prisoner. If all the banks are all the same, well, there's nothing to do,” David explains.

Another important element for David's future venture was the fact that new technologies were being developed. The adoption of the smartphone was accelerating in Brazil and also the adoption of social networks. The media had shown that the country was always among those who used Instagram, WhatsApp, Facebook and YouTube the most.

So it all added up: the great suffering of customers in their experiences with banks, a profitable and highly concentrated industry, and a technology trend that aimed to cause a major disruption. The result? A 100% digital option that had a culture of customer obsession, and that used technology to optimize its operating cost, reach more users and offer a better product at a lower price. That's how Nubank was born.

Seeking to make the best decisions, David tried to talk to bank CEOs, experts and consultants. The common denominator was that they all believed the barriers to entry into Brazil's banking industry would be too high. They said it was impossible, that it was a very closed market, that a lot of capital was needed and that the banks were too powerful.

But there were elements that these experts were missing. First, the technology had the potential to significantly lower barriers to entry. “For the first time, with mobile, you no longer needed bank branches,” David asserts. You would have needed a billion dollars to set up physical infrastructure all over Brazil, but with smartphones the game was changing. On the other hand, there were also cloud services; instead of spending \$40 million to buy servers and technological equipment to start serving customers, by 2013 you could create a bank digitally in the cloud.

The big experts also claimed that Brazil's regulators would not allow an outsider to come in and compete. He wanted to make sure that was true, so he traveled to Brasilia and met with people from the Central Bank of Brazil. He asked them up front how they felt about new players entering the banking industry, and the answer was surprising:

They wanted more competition. In fact, they were looking for it. They said it was too costly for the country to have only five banks dominating the market, and that they would welcome competition with open arms. And they had started working on new regulations just at that time to open up barriers to entry and facilitate the arrival of new players.

“The experts hadn’t seen this either because they stayed at a very superficial level of argument. Nobody would go and find out,”
says David.

Everyone seemed afraid to compete with the big banks in Brazil. They were intimidating to the point where they seemed to be something sacred, says David. But he, being a foreigner, saw the picture differently. David had the naivety of a beginner, like a 5-year-old who sees a world where everything is possible.

To the beginner's head, the possibilities were endless, but in the eyes of the experts, it was extremely difficult to succeed in such a project. Being a beginner, David set no limits for himself. He allowed himself to test himself in the market, beyond the debatable arguments of the experts.

“I think for a Brazilian it would have been almost impossible to see an opportunity, because they were so consumed in that status quo,”
says David. Having a beginner's mentality and eyes was key for Nubank to see the light.

But it was not easy to sell the Nubank concept. David says that for every “yes” he received, there were forty “no.” Looking for investment, he had one foot in Latin America and another in Silicon Valley, meeting with different investor profiles.

He had prepared a presentation that showed a David vs. Goliath (the banks) type of competition. “The little guy is going to fight the giant, which is what we wanted to do at Nubank.” When they showed it to Brazilian investors, David says they practically ran away in a panic.

“They were saying, ‘You guys are crazy, you’re going to get wiped out by these banks!’”

There was a lot of skepticism locally, because in Latin America, David explains, history has shown that Goliaths step on and crush those who act like David and then move on.

However, the response was completely different in Silicon Valley. “For Sequoia, their best investments in history were like David versus Goliath. When they gave the first million dollars to Steve Jobs to compete against IBM, it’s David versus Goliath. When they invested in Oracle, when they invested in LinkedIn, Cisco, Yahoo, Google or Airbnb, it’s the story of the little guy versus the giant,” says David.

Investors in Silicon Valley were looking for just such stories and Nubank fit the bill. The probability of failure was gigantic, but if it succeeded then it was an opportunity to completely change the industry. When he was working for Sequoia, moreover, he found that startups in Brazil only seemed to tell stories of David fighting other Davids. They weren’t attractive enough. Thanks to knowing that

detail, and having good relations with Sequoia, he managed to convince them to believe in his project and to invest the first million dollars. Kaszek Ventures, the venture capital firm created by the founders of Mercado Libre, decided to put in the other million of their seed round.

Eventually, Nubank grew. Although its potential was evident, however, there was still a lot of skepticism among local investors, but also among those who came from traditional banks. “They saw us and we didn’t look like a bank. They understood that the competitive advantages of a bank were its network of branches and agencies, and a huge IBM mainframe, but we had none of that.”

At each stage of raising capital, Nubank’s backers tended to be technology investors only, not bank investors.

But everything changed with the arrival of Warren Buffet, one of the world’s most iconic and important investors. It was the first time that someone who had financed banks believed in their project. It wasn’t

just a fluke: David acknowledges that it happened because they finally managed to tell their story in a way that the banking investors could understand. Although they were not very optimistic, Buffett ended up seeing that in Nubank they had built a way of doing banking business with a cost structure 20 times more efficient than their competitors.

“While we have almost 94 million customers today and can serve them with 8,000 employees, our competitors have 85 million customers, but with 120,000 employees, with 5,000 branches, and with a lot of carts that move physical money and vaults that store it. We have zero branches and zero physical cash,” says David. Added to all these elements, at Nubank they had financial products

that were better valued by their consumers and users with higher levels of satisfaction.

“It’s a sustainable advantage over time. Traditional banks will find it very difficult to lower their costs at a sufficiently accelerated rate to be able to have our cost structure, which is what we have developed for 10 years.”

David’s motivations and advice to entrepreneurs

The adventure of competing against giants in their industry was what primarily drove them at Nubank to build a company, David says. Referring to Homer’s *Odyssey*, he believes that the main motivation was the obstacles they had to overcome, the road they had to travel, the impressive people he would meet along the way. He did not start Nubank with the idea of building a billion-dollar company or to become extremely rich.

But success eventually came because the company was creating value. Consequently, the benefits and financial rewards came for the entire team. “I’m not going to say money isn’t important. It is. You need to pay bills every day. We need to pay for the school of our four kids. We like to be able to go on vacation at the end of the year and indulge in certain pleasures that money allows, but it’s not something that fundamentally changes our mindset or our life,” David says.

After a certain point, money stopped making a difference in their lives. Money could end up creating a culture where, his children specially, end up believing that everything is too easy. David has talked about it with his wife: he wants to create a culture where his children also have to struggle, that everything doesn't just fall out of the sky, that they make their own journey to develop their character and personality because they struggled and worked hard:

David claims he spent 100 hours a week dedicating himself to building his company.

David believes there is a limit to how much people can consume. "No one can wear two pairs of shoes at the same time. What's more, if you eat two lunches, it makes you feel bad. There comes a point where you don't need any more." He is aware that there will come a day when everyone, no matter how much money they have, will eventually die.

"We can't take the money with us to the next life,"
David says.

As a result of that reasoning, David and his wife created a philanthropic foundation. Their goal 50 years from now is to reinvest the money they have accumulated and give it back to society. They want to create more opportunities for people, creating more sustainable and equitable societies. They want every dollar they invest in philanthropy to have the greatest possible impact.

David is aware that in Latin America there are many people who are born with few opportunities. David recognizes his and his wife's luck: "We were able to start that race, that marathon, from the starting line, but there are millions in Latin America who start the race 10 kilometers behind. So it's not fair. It's not a fair race.

For David, studying at major U.S. universities does create a small advantage. He does not deny it. However, he compares it to those who are born with some innate talent: it also generates a small advantage for them, but it does not define who wins the race.

"In the end, the person who wins the race ends up being the person who has the most focus, who works the hardest and who has other types of capabilities,"
he says.

“Among the people who say ‘no,’ there will be arguments that are valid and you have to have the ability to listen to them and include those thoughts within the business plan, but there are a lot of people who will say ‘no’ with invalid arguments.”

At Nubank, they have even hired professionals with degrees from prestigious universities in North America who have ended up being very disappointing. On the other hand, many times the people who did not have that opportunity came to the company wanting to prove themselves, and ended up being more impressive and achieving greater focus.

With the help of their capital, David is confident that they will contribute to the creation of a Latin America with greater potential, because everyone will have access to their best version. “Societies are going to be happier, more sustainable, with less inequality and more prosperous for everyone.” That vision of what they can contribute with money fills them with excitement and motivation.

As for advice to new entrepreneurs, David recommends that they develop “incredibly sharp” listening skills. Along the way, he says, they will encounter people who will say their project is not feasible and others who will support them, but neither is necessarily right.

David doesn’t recommend simply ignoring everyone, because within every “no” there can be important truths. It’s about differentiating each type of “no,” especially when talking to industry experts.

Experts may be highly knowledgeable in their industries, but also suffer from significant difficulties when it comes to understanding a potential disruption. In this regard, you need to develop keen listening skills, but also the ability to be stubborn. However, understand that some projects are simply not going to work and that it is important to know when to make the decision to quit. You have to develop the ability to decipher when to follow through and when to give up.



Another piece of advice is to become an entrepreneur for the right reasons. He did it for the journey, for the sense of adventure in entrepreneurship, for the struggle, for the obstacles that would appear in his path, for the difficult conversations, and even for the drama.

“It’s an adventure that has the opportunity to make you a better human being, a more competent person.”

At the end of the day, David believes, you end up becoming a better person than before.

The wrong reasons for becoming an entrepreneur, for David, are those like thinking you will become a millionaire, famous and raise a unicorn. “It’s likely that the venture won’t work, and if that happens, you’re going to be completely devastated by the goals you had set for yourself,” David says. “But if you do it for the right reasons, even if the venture doesn’t work out, I’m going to feel really good about myself because the going was the journey, not the end.”

TAKEAWAYS

✓ Negative experiences can end up representing an opportunity for entrepreneurship. **If you identify a problem** that you and millions of others suffer from, **you may have a chance to create something game-changing.**

✓ If you are thinking about entrepreneurship, but still work in the corporate world, try to approach it from the perspective that you are preparing to compete in the Olympics. **Learn everything you can to be ready** for your future life as an entrepreneur.

✓ **Technology can be a means to significantly lower the operating costs of your business.** If you implement it in your business in a disruptive, simple way and with a daily application, it will be easier to differentiate yourself and have competitive advantages.

✓ To the beginner's mind, the possibilities are endless; to the expert's eyes, succeeding can be extremely difficult. **Keep your eyes of a beginner, but listen carefully to the experts.**

✓ **David and Goliath stories**, well told and backed up with an interesting project behind them, can be very attractive to potential investors.

✓ **Become an entrepreneur for the right reasons:** the adventure, the challenge, the journey, the excitement. Becoming an entrepreneur for the wrong reasons can lead you to think you failed if you don't achieve them.

✓ You must develop **keen listening skills**, but also **the ability to be stubborn** and decipher when to follow through and when to give up.

✓ Studying at top universities or being born with an innate talent represents a small advantage, but the one **who wins** the race is the one **who has the most focus and works the hardest.**



EDUARDO DELLA MAGGIORA

A life motive for entrepreneurship
and helping others

How would I measure my life?

Eduardo della Maggiora was at the peak of his professional career. After ten years at J.P. Morgan he had risen to an important position. He was living in New York, the city of his dreams, he was in the job he had always wanted, he had a bright future ahead of him and that made him feel genuinely happy.

But life had other plans in store for him. On a trip to Chile, his home country, he met his mother for lunch. The two had always been close, especially after the tragic death of Eduardo's father 15 years earlier. In the middle of the conversation, something alarmed him: his mother seemed to have strange red spots on her chest. Eduardo couldn't help but worry.

—Mom, you should go to the clinic to get a check up.

A few days later, Eduardo's family received one of the hardest pieces of news. His mother was diagnosed with an extremely aggressive terminal leukemia. "And just like that, overnight, my world turned upside down," Eduardo says. The disease was so advanced that the doctors assured him that she would only have nine months to live.

The shocking news was so painful that Eduardo did not return to New York for the next six months. In his head and in his heart, priorities had

changed. His mother, the person who had worked for years to raise the family, could leave this world at any moment.

At J.P. Morgan, Eduardo says, they were extremely accommodating. **"Stay as long as you need,"** they told him.

For Eduardo, the experience with his mother in that hospital was like taking a 15-year trip back in time. On the left hand side of the corridor, one entered the Oncology sector, where his mother was. On the other side of the corridor, on the right hand side... was Cardiology. There, on that same floor, his father had been there a long time ago, also struggling between life and death. "I was re-living the same thing that had happened to me, but at a different stage of my life," Eduardo explains. It was like seeing the present and the past, intermingling.

"How fragile life is," Eduardo said to himself, sitting in one of the cold hospital chairs, holding his mother's hand. "How can things change like that in an instant?" In those moments filled with silence and uncertainty, the seed of a doubt was planted in his heart. "If I walk out into the street tomorrow and get hit by a bus, how would I measure my life?" he wondered.

“Would I measure it by professional success? Would I measure it by the money I have in the bank? How would I measure it?”.

Thus, little by little, he ended up entering an existential crisis. “How would I, Eduardo della Maggiora, measure my life if I were told I had three months to live?”.

Those were the questions that sparked the personal journey Eduardo would embark on over the next few months. He came to the conclusion that the best way to measure his life would be to see how he was using his energy and the gifts God gave him to help other people.

“I started asking myself, that 2014, what I was doing to help others, and I couldn’t answer that question for myself,” he reveals.

His mother’s health began to improve to the point where, at present, almost ten years later, she is still alive and close to her family, but Eduardo did not stay in the same place. He could no longer do so. That close experience with his mother’s death transformed him. To the surprise of many people, who thought Eduardo had gone crazy, he made the decision to resign from J.P. Morgan and go to Africa to volunteer. It changed everything forever.

Currently, Eduardo is the CEO of Betterfly, a platform that allows companies to manage the benefits and compensation of their teams, boosting well-being by transforming positive actions into personal benefits and global impact. Through Betterfly, users indirectly impact the lives of thousands of people in vulnerable situations, helping them to access food, education, health and clean water.

Betterfly became the first social unicorn in Latin America in 2022 and the third unicorn in Chile.

With more than 400 employees, they have operations in Brazil, Colombia, Ecuador, Spain, Mexico, Peru and Chile, and plan to grow at least tenfold over the next few years to reach 60 countries.

Eduardo has lived in three countries, started his first business at 33 and wakes up at 5am. He actively competes in the Ironman triathlon, and triathlons around the world, reads more than 50 books a year and is a board member of an organization in Chile that supports children with developmental disabilities.

Focus, life purpose and Betterfly effect

"I think I'm a person who uses the word 'obsession' a lot," Eduardo reveals. He believes that in life you have to choose what to focus on. He believes in essentialism: putting the focus on the essential, on the most important things on a personal, family and professional level.

In this sense, despite having achieved numerous accomplishments in business and sports throughout his life, Eduardo believes that when people are focused on something they cannot have their attention scattered on ten or more different subjects.

"If you want to be a good athlete, you have to go fully into the sport you are doing," he assures.

"If you want to become a good professional in some area, you have to go ten levels deep. If you want to be a good parent, same thing. And when you do that, you have to stop doing other things."

Eduardo believes that life is about making decisions at the different stages that each person goes through: in childhood, youth, at the earliest stage of his career and then in old age. For him, it's about focusing on two or three areas at each moment to try to be the best

in the world in them, regardless of whether you end up being the best in the world in the end.

He reveals that this was the philosophy of life he followed from a very young age. "From the time I was playing tennis all the way through college. I never ended up being the best in the world at everything, not even close, but I always did it with a level of dedication, obsession, perseverance and passion that was significantly higher than that of my classmates or my friends. And many times I was, or am, a bit crazy, obsessive," says Eduardo.

From the outside, Eduardo explains, people always see the successes and triumphs, but what they don't see is all that he and many entrepreneurs sacrifice to get where they are.

As an example, Eduardo uses triathlon as an example: he has twice finished runner-up in the world and has one of the best times in the Hawaii Ironman. One might think that he is a special talent, that he is a natural athlete, but he assures that the opposite is true.

“I have a totally average lung and physical capacity,” says Eduardo. In his first half marathon he did the time that any other competitor would do.

But what he did do differently was to dedicate himself to training for 5 years to try to be the best Ironman in the world. That was his priority, so he gave up a lot of activities to achieve it. He gave up going to bed after 9 p.m., didn't even have a glass of wine for three years, gave up parties and any kind of processed food, and had other sacrifices that you don't see on social media.

Thanks to this approach, he was able to be in triathlons and marathons with the level of intensity and depth he desired.

It was the same with Betterfly. When he started the company, which at the time was called Burn to Give, he dedicated himself fully to it and decided to see it not as his job, but as his purpose in life. In this sense, there is a phrase whose authorship is associated with Pablo Picasso that is part of Eduardo's philosophy:

“The meaning of life is to find your gift. The purpose of life is to give that gift”. Eduardo believes that we are all born to do something; some may discover it at the age of 2, others at 40 or 80.

The first part of life, for Eduardo, consists of discovering what makes us unique. That thing that we love, that no one else does like us. The second stage begins when you find that gift, and it's about understanding how it can be given back to humanity, to the planet, to our children and society.

“So that when we leave this world, we can leave the world a little bit better than when we arrived, because life is very short.”

He is certain that the best way to make that positive impact is to discover what we are passionate about and what keeps us awake at night. Some call it purpose, others *ikigai*.

“Unfortunately, many people go through life on autopilot,”
Eduardo says.

Eduardo's level of obsession led him to read 175 triathlon books in a year and a half when he was trying to prepare to compete. That meant he only used social media for 30 minutes a day so he wouldn't get distracted. He also reveals that he stopped watching television for more than 5 minutes 15 years ago.

Eduardo recognizes that he is fortunate to have a strong ability to focus that allows him to fulfill his purpose. One thing he seeks to do with his work, sport and life is to inspire others to carry out their own dreams.

“I think the best way to do that, more than preaching it, more than writing a book, is to live by being an example.”

When people see him reaching new goals and dreams, Eduardo believes it can be contagious. They'll say to themselves: “Look at what he did, why can't I do it too?,” and apply it to achieving their own goals in life.

“My purpose is to be able to infect and hopefully, in some way, inspire and motivate others to carry out their dream,”
Eduardo says.

He is certain that the planet would be a different place if every person in the world was following their life's purpose.

Five or ten years ago, Eduardo was fulfilling his purpose of inspiring people through Ironman, but today he is doing it with Betterfly and trying to be the best dad he can be. In the company, they call this effect of inspiring people and generating waves of change the *Betterfly Effect*.

Eduardo finds it similar to what happened during the emergence of new startups in Latin America: when Mercado Libre and Globant emerged, entrepreneurship in the region was practically non-existent, but thanks to them, others appeared who said they could also make it. In other words, the multiplier effect, as it is known at Endeavor.

Eduardo della Maggiora



His mother is diagnosed with leukemia, triggering a personal crisis that leads Eduardo to rethink his life and purpose.

2014



Quits J.P. Morgan and travels to Africa for volunteer work. During this journey, the seed for Betterfly is planted—driven by the fight against child malnutrition and inspired by Ironman.

2015

2005

Graduates with a degree in Industrial Engineering from Universidad Católica de Chile and begins working at J.P. Morgan.

Betterfly has over 400 employees and operates in multiple countries, with plans to expand globally to more than 60 countries in the coming years.

2023



Launches "Burn to Give," a platform that transforms burned calories into social aid to combat malnutrition. It later evolves into Betterfly.

2018



2022

Betterfly becomes Latin America's first social unicorn, impacting millions through positive actions and a wellness-driven donations model.



A child with focus

Eduardo had a clear childhood dream: he wanted to be a tennis player. Neither of his parents were athletes, but when he discovered tennis he found his first great obsession. He started playing once a week, and then ended up playing at least twice a day. “At 14 and 15, all I could think about was tennis,” he says.

He moved to Miami to join an academy. He was a good player, one of the best in Chile; what set him apart from the rest was his focus. They trained from seven-thirty in the morning until five in the afternoon; when practice was over, they had the afternoons left to play video games and waste a little time. But Eduardo would not leave. He stayed to play fronton, a sport similar to tennis, for another hour. He said to himself: “If I play fronton every day for three months, I will be better than my friends who are in their rooms playing”.

While his friends were going out to parties and having their first girlfriends, Eduardo just wanted to play tennis. It was all he thought about all day, but when he was 15 years old, something happened that changed his plans forever. His father, a very important figure in his life, suffered an accident and died.

In addition to this severe loss, his father had no life insurance. The family’s financial situation was transformed overnight.

Tennis was no longer a possibility; he was forced to forgo his dream. As the eldest of his three brothers, Eduardo dedicated himself to study and work to support his career and his family.

Unexpectedly, his dream of being an entrepreneur and businessman started for the first time.

He said to himself: **“How can I help my family?”**

And Eduardo ended up transforming himself: his obsession with tennis turned into a deep dedication to his studies. From being an average student, he went to the top of his class. He says he wasn’t the smartest or most talented, but simply put the same passion he had for tennis into his studies. With the good grades he got, he ended up going on to study Industrial Engineering at the Catholic University of Chile, which Eduardo describes as the best in his country.

He was also at the top of his class, and that catapulted him to his job at J.P. Morgan.

Although Eduardo did not have entrepreneurs in his family, his father followed a traditional corporate career in which he became CEO of a company. Analyzing his father, he recognizes that he had all the values of an entrepreneur: perseverance, optimism, a glass half full mentality, and the desire to move forward in life. It was his father who instilled these values in him, even though he never started a company on his own.

His mother also had an important influence. When Eduardo's father passed away, she did the housework. She didn't have a job. "She had to roll up her sleeves, start from scratch and pull the three of us through," he says. "All that *grit* and resilience came easily after observing what my mom was doing." Perhaps unconsciously, by example, his mother taught him how to take a complicated situation and transform it into something beautiful. And the tragedy of the accident brought them together as a family, to the point where his brother Cristobal is a co-founder of Betterfly.

"I don't think I would be the person I am today if I hadn't gone through that moment of so much pain,"
says Eduardo.

When he finished college, Eduardo had the life plan to eventually own a company. Thinking strategically, he asked himself what would be the natural step to take in order to have the best possible tools if he ever wanted to become an entrepreneur, and he found two paths: consulting or investment banking.

He managed to join J.P. Morgan and told himself that for two or three years he would learn about companies, valuations, mergers, acquisitions and everything that could be used to understand why companies had value. That was the plan, but the cycle repeated itself: he loved what he was doing so much that he became obsessed with his work. What was going to be, at most, three years, ended up being ten. And anyone would think that the reason was money or glamour, but Eduardo assures us that he kept going because of all the knowledge he was acquiring. He always raised his hand to ask for more work.

In fact, he recalls one occasion when the entire team had to stay late into the night. While some complained about working so much, Eduardo saw it as an opportunity.

He was in New York, still quite young, learning from the best, analyzing some of the most important companies in the region.
"What a blessing to be a part of this,"
he said to himself.

Betterfly's journey of transformation and birth

Eduardo sold what he had in Manhattan, gave up the solid career he had been building, took his suitcase and went to Africa. During this time, he discovered two things that would plant the seed for Betterfly: The Ironman triathlon and the problems related to child malnutrition.

"I got to work with severely malnourished children in Tanzania, which is where I was living," says Eduardo. In Chile or the United States he had never seen such severe levels of malnutrition.

"It left a deep impression on me,"
he says.

One night, under a net protecting him from African mosquitoes, Eduardo came across a video of the Hawaii Ironman triathlon. By that time, he was no longer the agile teenager who played tennis. The sport was no longer part of his life. "Who can put themselves through the torture of running for so long?" he said to himself at first, watching the video. At the same time, however, what they were doing at Ironman seemed incredible to him. The people who finished the race were ordinary people, like him, but who had a significant level of passion for what they were doing. He felt how, little by little, the same obsession he felt as a child was reawakening. He remembered how he forwent his dream when his father passed away....

And out of the blue, he signed up for a triathlon. He had never swum more than 100 meters, nor did he have any marathon experience. He just saw the video and decided he wanted to do it. When he returned to Chile after his stay in Africa, he dedicated himself to training and losing his extra weight.

One random day, while cycling, an idea popped into his head, "What if these calories I'm losing could be converted into food calories for the kids I met in Africa? What if we could use technology to connect malnutrition with obesity, and help solve both?"

Thus was born the first sketch of Betterfly, which at the time had the name Burn to Give. It meant, **"Burn (calories) to give (calories)."**

And although his plan at first was simply to go to Africa and return to his normal life, the seeds of Eduardo's new project were already beginning to germinate. From that trip, his life changed. Four years later, after much training and learning, one of the great results was that Eduardo ended up being the worldwide runner-up in an Ironman triathlon.

Upon his return to Chile, Eduardo recalls, people congratulated him for having gone to volunteer. He thought: “Don’t congratulate me, this was a gift for me. Eduardo knew he was lucky. He had gone 6 months because I had savings; it was a privilege, one that not just anyone could afford.

“What if through a telephone we could enable anyone to help others by first helping themselves?”

he said to himself.

The vision was evolving. **“What if we could turn good habits into social aids?”**

He was determined to push that idea forward, so it was at that point that he resigned from J.P. Morgan. The bank even offered to keep paying him for six months with a commitment that he would come back, but Eduardo said no to everything. By then, he didn’t even have a plan.

He had set out to find what his purpose was, and fortunately he had succeeded.

However, it was not as if the entire path was free of challenges from then on. Eduardo initiated a few projects that did not succeed. In Africa, he opened a foundation to raise funds, and became an investor and advisor in a social company that

built schools. Later, he created a B company to preserve green areas in southern Chile. In all three he failed, but gained valuable lessons that he would later apply in Betterfly.

Eduardo understood that the best way to make an impact was to create a social enterprise where he solved a problem and had many people willing to pay. From there, the resources could be earmarked as donations.

“When I set up the foundation, I was frustrated, you may donate one time, maybe two, but after that you get tired of donating. What could be better than creating a solution to a real problem?,” says Eduardo.

The concept behind Burn to Give was that all human beings want to help others, we’re designed that way. That was the inspiring trigger that led Eduardo to embark on this adventure. Human nature, for him, is to live in community and reach out to those in need.

“When people are presented with the opportunity to help others in an easy way, we don’t hesitate to do it,” Eduardo says.

From that, Eduardo created the first proof of concept for Burn to Give. He designed a website himself, with no investment, where users would say how many calories they had burned and those calories would be converted into social donations for children in Haiti. How did he do it? By doing a 30-day challenge.

The goal was to collect 30 million calories in one month to lift 400 children in Haiti out of malnutrition. "There were three actors in this movie: the children receiving the aid, the users testing the product, and the companies willing to sponsor the challenge." Surprisingly, getting companies willing to fund it was the easiest.

"In two weeks I managed to raise almost \$200,000 from Samsung, Walmart and other companies,"
Eduardo reveals.

He sold his idea by assuring that they would have 5,000 users, but deep down he was not sure if they would even have 20. The hardest part was promoting it, because he had no resources for marketing. So he came up with a challenge for people to record themselves motivating others. The calories they burned in 30 days doing sports were going to be converted, at no cost to the people, into social aid. At the time, the famous ice bucket challenge was all the rage, a challenge where people would record a video of themselves throwing a bucket of ice water on themselves and then they challenge their friends to do it.

He said,
"Let people burn their calories and donate those calories. And if they challenge someone else, or if they share on social media the calories they burned, we multiply it by two."

They did not reach 5 thousand, but 50 thousand. Without spending on marketing, without investment, with a simple website created by himself and with his wife managing the social network side. They lifted a thousand children out of malnutrition that month with what was their first minimum viable product. The companies ended up investing three times the resources they had initially planned to contribute.

It was then that Eduardo went out to raise capital. He knew there was something powerful, but he wasn't completely sure about his business model. The essence was to connect personal impact with social impact. Around this time, he told potential investors about the possibility of creating an insurtech company: using technology to innovate in the area of insurance. That would be the future of Betterfly.

Eduardo says he never imagined that Betterfly would become the first social unicorn in Latin America. He had dreamed of it, of course, but

saw it as something unattainable... and they achieved it. The vision was to protect the future of one million families by 2030, but they reached one million users in much less time,

by the end of 2023. "To give you an idea, Netflix took four years, Dropbox took five years, and we took three years to reach one million," Eduardo contextualizes.

"Entrepreneurship is like an Ironman triathlon"

Just like in life, entrepreneurship is full of challenging moments. Despite the achievements they've reached, the beautiful part that people see, Eduardo acknowledges that at Betterfly, they've faced countless problems. But he compares entrepreneurship to participating in an Ironman triathlon:

"The one who wins the race is not the most talented, it is not the one who runs the fastest, it is not the one who swims the fastest.... It's the one who gets up the most times when he falls. When you run an Ironman triathlon, you know you're going to cramp up, you know you're going to throw up, you know you're going to get a flat tire, you know your diet is going to get to you.... A thousand things are going to happen to you. The one who wins the race is the one who can overcome the obstacles that happen. Entrepreneurship is the same thing," Eduardo assures.

He says that, when Betterfly was still called Burn to Give, few were betting on them.

"Everyone found that it was a nice social project, but not that it was going to have a financial return, except the first fund that invested," Eduardo explains. Entrepreneurship, for him, is about having a lot of resilience. At the high points, everything is perfect and you have to celebrate, but you also have to understand that the falls are part of the journey.

In any case, Eduardo says he is an optimist by nature. Before he passed away, his father wrote him a letter encouraging him to always look at the glass as half full, and Eduardo has embraced that as a life philosophy. Every day, he gives thanks for the opportunities he's had. The greatest gift for him is being where he is today. He's already living the dream.

In low moments, Eduardo explains, is where companies are truly built. Just as it happened to him during his own personal crises, when he reinvented himself and found a new, better way to live, difficult situations end up steering companies in the direction they're meant to go.

“Obviously, you don’t want to stumble, you want to stumble as little as possible, but when something happens that is not part of your plans, that’s the moment to reflect and ask yourself what is the blessing from heaven hidden in this obstacle,” says Eduardo.

Connecting entrepreneurship with participating in an Ironman triathlon, Eduardo believes that running is addictive because the achievements that require effort, sacrifice and having a hard time are the most pleasurable. For that reason, one of Betterfly’s values is to push yourself to the maximum.

“In the end, the effort is the most important thing, much more than the result.”

Eduardo expects Betterfly to grow tenfold over the next few years. In an interview with *La Tercera*, he assured that they are in a good financial position and that they have the capital to continue operating in markets they are in for four or five more years. They are looking to move to an offensive strategy: they want to grow to Europe, the United States and Southeast Asia by 2024 or 2025. The goal? To be operational in 60 countries.

Today, Eduardo is very different from the entrepreneur who led a small team of 15 people; now he is the CEO of a company with a global presence and more than 400 employees. As the company has grown, he has had

to grow as a person, as a leader and as CEO. How has he done it? The same way he first prepared himself to compete in triathlons: by reading. His way of absorbing information is by reading books on entrepreneurship, leadership and team management, but then he ends up putting it all into practice. He also attends Endeavor courses at Stanford or Harvard, and discusses with entrepreneurs who are further along the path.

When there were only 20 people at Betterfly, Eduardo had to go out and sell and write the pitches himself, but now he believes it’s more important to lead someone who can do it better than he can. His responsibilities have changed, and will continue to change. He’s aware that as Betterfly keeps growing, he will need to become a different kind of CEO.

For Eduardo, what separates a good life (with family, friends and resources) from a fulfilling life (the next level, that stage where a human feels at their best) are two things: contribution and growth. He believes that contributing and delivering value to others is a vital part of our nature, and that we should always be growing and seeking to become our next best version.

Eduardo cannot predict whether he will remain CEO of Betterfly for the rest of his life. But his philosophy in thinking about the future is to try to make the decisions he should make. He imagines he is 80 years old and is analyzing his past:



“What am I going to regret more, taking this opportunity and failing, or not doing it and never knowing the outcome?” That’s the compass he applies professionally, personally and in his family.











At 80, he envisions himself with a big family and many grandchildren. “Great grandchildren, maybe,” he jokes. He sees himself finishing an Ironman triathlon at 80 and beating others in his age group, suffering and limping. And he hopes to have the same vitality he has today. “Maybe older and more wrinkled, but having lived life to the fullest.”

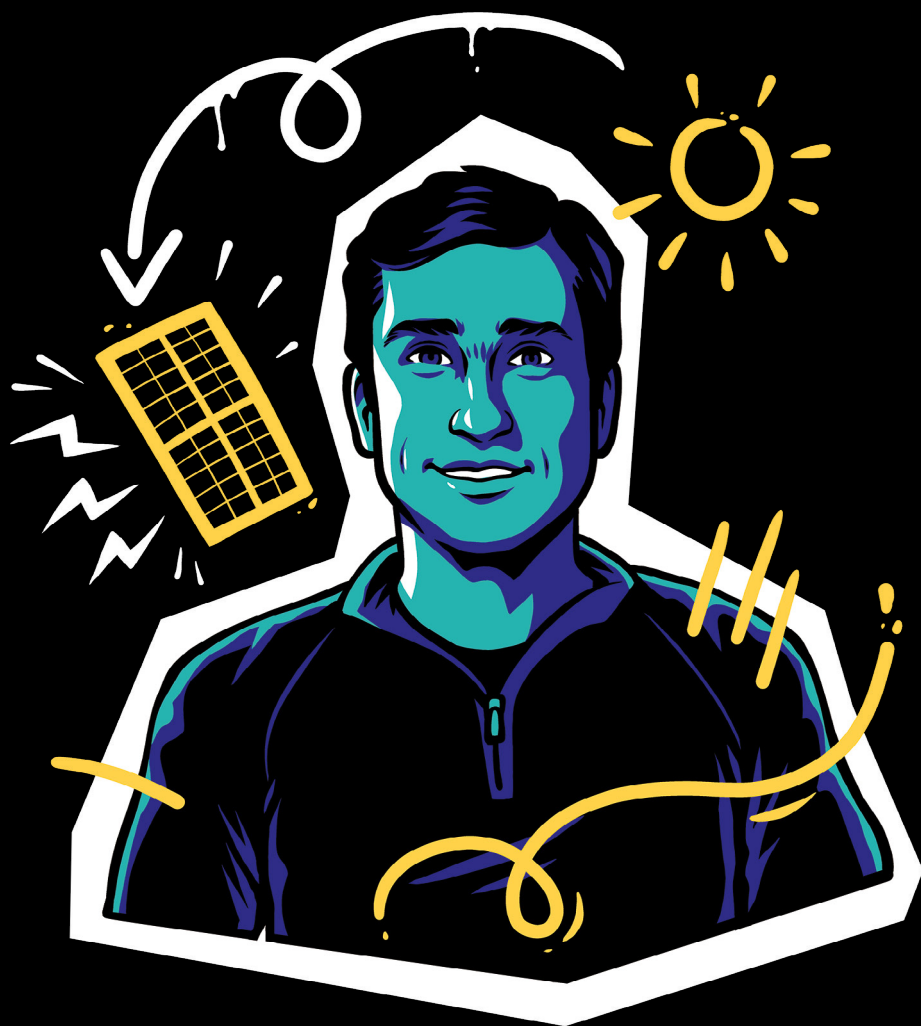
To entrepreneurs, Eduardo recommends always keeping in mind that the beauty of entrepreneurship lies in getting back up after each fall. He also insists that he has never seen a successful entrepreneur who didn’t give their all, through the good times and the bad, for their startup.

He also believes that the darkest moments, when investors close doors and customers disappear, are covert opportunities to transform and build a better company and a better team.

“To those reading these stories: there’s no genius here, no one with any special talent. They were ordinary people, just like those reading these lines, who simply had a deep passion and strong motivation for the things that kept them up at night,” he says. “And I hope you get inspired to follow your dreams, because I believe dreaming is one of life’s greatest gifts, and it’s absolutely free,” Eduardo concludes.

TAKEAWAYS

-  **Ask yourself how you would measure your life if you wanted to become an entrepreneur.** What problems would you like to solve? How could you contribute something to humanity? How would you use your gifts?
-  If your attention is on ten different paths, you may not end up excelling in any of them. **Pick 2 or 3 areas that you are passionate about** and try to be the best at them.
-  To achieve great things, **you may have to make sacrifices.** For example, if you want to be the best runner in the world, you may have to give up junk food and go to bed very early.
-  The best way to make an **impact** is to discover **what we are passionate about and what keeps us awake at night.**
-  The first important goal is to **find your gift.** Then, what can give meaning to your life is to share that gift with others.
-  Developing **the ability to focus** will open many doors in life and entrepreneurship. Focus can make an average student top of the class.
-  Difficult moments transform us as individuals, and the same is true for companies. **Crises are opportunities** to refocus our priorities and discover new paths.
-  The one who wins the race is not the most talented, nor the fastest. The winner is the one who gets up the most times after falling. **The winner is the one who overcomes the obstacles.**
-  What separates a good life from a fulfilling life are two things: **contribution and growth.** Entrepreneurs who are guided by a sense of contribution and continually seek to grow will be happier along the way.
-  Great entrepreneurs are not geniuses. They are people who **focused on one passion** and were **highly motivated** by the things that kept them dreaming.



FABIO CARRARA

The solar entrepreneur

The opportunity of a lifetime

Fabio Carrara was presented with a once-in-a-lifetime opportunity at an unexpected moment. At the time, his heart was set on becoming a successful entrepreneur. He had already made up his mind. The problem was that he was searching for a business idea that he found interesting and inspiring enough. He didn't want to create a tropicalized version of other companies already successful in the United States. Fabio wanted something new and ambitious that would have a lot of impact.

One day, the perfect idea came along. During a conversation with a German entrepreneur with a lead generation platform, Fabio asked him what kind of services or products he could sell if he started an e-commerce. In that conversation, said entrepreneur revealed that a surprising 50% of his German business came from solar panels. At that moment Fabio discovered that solar panels could be a potentially profitable and impactful business venture.

It was as if he peered into the future. The great idea he'd been searching for was there, when the solar energy market in Brazil, his native country, was just getting started.

He wasn't sure what his business model would be yet, but he decided to bet everything on this new opportunity.

Fabio is currently the CEO of Solfácil, a renewable energy investment platform that enables people in Brazil to acquire solar energy systems. With more than 32,000 approved projects and a team exceeding 500 employees, Solfácil has grown to become a reference in times when the planet's main problem, for many, is global warming. Fabio sees this as just the beginning.

Fabio has lived in three countries: Brazil, the United States, and New Zealand, thus he speaks English and Portuguese, and even a little bit of Spanish. He usually wakes up a little after six o'clock. He enjoys working out and is very passionate about tennis, though during his youth, he loved soccer and swimming. He plays acoustic guitar and reads about 5 books a year. He likes things to be symmetrical but not to the point of being obsessive about it. He began his entrepreneurial journey at 28 and describes himself as a very positive person. Although he does not see himself as spiritual, he does believe that there is some kind of energy surrounding us that reflects who we are.

Building his patience

Fabio's journey wasn't initially geared towards building a business. Driven by a natural aptitude for math and a logical mind, Fabio's early career aspirations leaned towards engineering. "It was for quite a simple reason: I was always good at mathematics. I am a very analytical person," states Fabio. He pursued this passion, attending one of Brazil's top engineering schools and ultimately graduating with an engineering degree.

Unlike many successful entrepreneurs who credit early exposure to business ownership, often from parents or mentors, Fabio did not have an example that linked him to entrepreneurship. He believes that one of the reasons he did not think about entrepreneurship before was that there were no previous entrepreneurs in his family.

His parents were public employees who acted as politicians at various stages of their lives. "Very opposite to what entrepreneurship is, because in Brazil there is a significant portion of society that prioritizes stability and secure retirement," Fabio explains, "Typically, you see certain professionals looking to work in public services. For example, lawyers in Brazil tend to become judges or district attorneys," Fabio reveals.

Although his parents pursued a stable career path, Fabio acknowledges that he learned valuable lessons from them that

helped him when he ventured into entrepreneurship. His parents both went on to become mayors of Sumaré, a city in the state of São Paulo where Fabio was born — but they didn't succeed on their first try. They each lost a couple of times and were incredibly persistent until they finally won.

"Especially my mother. I think she lost four times before she won. Always very close to victory, but always falling short."

Fabio witnessed the resilience and grit his parents embodied, and he adopted those traits—perhaps unconsciously—in his own life.

In Brazil, Fabio explains, it's common for children of politicians to follow in their parents' footsteps and also become politicians. He deeply considered it. Fabio enjoyed the political environment he had been raised in, however it just didn't quite feel right. "Many kids like me end up being politicians because it's easy for them. They take advantage of their family's last name and power. That's exactly why I didn't choose this path," Fabio discloses. He wanted to pursue something that felt more challenging and meaningful to him, resonating with his own story he was crafting.

With time, Fabio's interest in engineering solidified. He recalls that in Brazil, especially when coming from conservative families, young people tend to take three 'safe' careers: engineering, medicine, or law. Fabio always knew that this would be the path for him. While other students struggled with deciding what they would do with their lives when they left for college, he experienced more certainty.

“I am a determined person. I don't look back; I move forward,”
Fabio states.

Despite a very complicated application process, he persevered with his studies and successfully gained admission. “Looking back, I still think engineering is a good career,” he assures. The market in Brazil loves to have engineers in its ranks. Banks hire administrators and economists, but they also love engineers because they know how difficult it can be to graduate as one.

“If you can go through the degree, you have certain skills that will allow you to work in many different professions, from financial services to consulting.”

Fabio says it is common for engineers not to work as engineers but to end up in other types of jobs

where they are better valued and receive better pay. “This can be a problem because a country always needs engineers,” he points out. Fabio himself experienced this disconnect between engineering education and career paths, landing a prestigious consulting role despite his engineering degree. He ended up working for The Boston Consulting Group (BCG), one of the most important consulting firms in the world.

Although the idea of creating his own business wasn't even a thought during that first stage of his life, Fabio recognizes that he always possessed many of the characteristics of an entrepreneur. He was always determined, a natural risk-taker, and wasn't daunted by complex decisions. Engineering served as a strong foundation, helping him think in a more structured way.

One of the reasons Fabio joined BCG was because he had always been very competitive. “When I play sports, I like to win. When I see a challenge and maybe the first time I don't manage to overcome it, I'm very determined, and tell myself, ‘I'm going to try until I get it,’” Fabio reveals. When he was young, he says, he was small, so when he tried to play soccer, he was never included in the starting team. But this setback did not stop him; he trained and practiced twice as hard as the other kids on his team to raise his level.

Consulting was highly attractive to me in college. It offered a promising combination of high earning potential and rapid exposure during the early stage of his career path. "When you go to a company and start as an intern or as an analyst, it can take you five to seven years before you're involved in major decisions. In consulting, you have the opportunity to rise quickly; in the first three months, I was already sitting with the Board of some of the top 20 companies in Brazil, running projects for them." All these elements ended up being, for Fabio, a very attractive challenge. "When I graduated, I joined BCG, which to be honest, was number one for me. So, I was able to break in, in exactly the way I was looking for," he claims.

In his early career, while working at BCG in São Paulo, Fabio immersed himself in significant projects for major corporations. "Strategic consulting was a service only affordable to large companies," he explains, acknowledging its substantial cost. By the age of 24, Fabio found himself in meetings with CEOs and vice presidents across diverse industries, including telecommunications, financial services, consumer goods, and pharmaceuticals. With no prior experience, he underwent a steep learning curve, navigating the challenges of the consulting world firsthand.

At BCG, Fabio explains, a culture of innovative problem-solving encouraged him to think beyond

theory and develop his creative thinking. This skill ended up being essential for his future success as an entrepreneur.



"I don't believe in coincidences,"
he asserts.

"My mother used to say to me: "You have to meticulously plan for every aspect of your life, from work to relationships." Fully aware of the challenges awaiting him at BCG, he prepared to navigate them without being caught off guard.

While at BCG, he followed a fairly common tradition among those working in the consulting industry: pursuing an MBA and then returning to the company to continue growing. "The opportunity to further develop my skills while having BCG cover the costs was certainly attractive. I didn't give it much thought, to be honest, I followed the tradition and applied to a couple of schools". Ultimately, Fabio settled on Wharton, one of the most prestigious MBAs in the world.

Embarking on his studies at Wharton, Fabio spent two years in Philadelphia. During his time there, Fabio connected with people from diverse backgrounds and had a fulfilling experience, "For many, an MBA serves as a platform to transition careers," he notes. "Individuals often leverage it to secure summer internships and explore new professional avenues." Yet, Fabio found himself in a different position.

During the first six months of his master's degree, Fabio noticed that many classmates were deeply stressed. "Because doing an MBA is expensive, many classmates felt immense pressure. They viewed it as their chance to land jobs in investment banks or consulting firms. They were very focused on going to job interviews, meeting people, and applying for positions. In contrast, I was very relaxed. I didn't have a lot of pressure. Worst-case scenario, I would go back to BCG and have an MBA.

The initial luster of consulting had already started to fade for Fabio though. During the first few years at BCG, his friends joked that he only talked about what he was doing at his company and that he was becoming very boring. The frequent travel that once excited him started to feel like a burden, he was still going through the motions, but over time, a sense of frustration crept in.

He knew he was a good consultant, a very strong one, but that was because he loved to solve problems. "Give me a problem, and I'll solve it. I was kind of obsessed with that" Fabio explains. He didn't feel much desire to focus on developing communication or other important skills in his work but wanted always to solve problems.

Engaging in discussions with peers throughout the MBA program, Fabio had an epiphany: entrepreneurship fundamentally revolves around problem-solving. This pivotal

realization ignited his motivation to pursue entrepreneurship himself...

Moreover, Fabio's competitive spirit came along. During the MBA, the relentless focus on landing the highest-paying positions became palpable; it felt like that quest consumed the entire student body. They meticulously analyzed companies and sectors offering the highest remuneration, and news of someone securing a lucrative job at a top U.S. firm would make everyone talk about it. Fabio realized he was playing a game he couldn't win, despite being associated with one of Brazil's top companies, he realized he couldn't match the financial gains achievable in the U.S., even within the nation's best firms.

"But if it's solely about money, the ones who earn the most are entrepreneurs,"
Fabio explains.
"Because, to be honest, they're the ones funding the entire value chain: hiring consultancy services and investment banks."

His drive was filled with the desire to demonstrate his capability to create something impactful from scratch. While he found success in consulting, he wanted to pursue something substantial—something of his own. If successful, it would be monumental.

Fabio Carrara



Resigns from BCG and launches his first solar energy company in Brazil, initially as a solar panel installation business.

2015

2018

After several years on the verge of bankruptcy, pivots the company into Solfácil-Brazil's first solar fintech, offering financing for solar panel installations.

2014

While doing his MBA at Wharton, Fabio has a conversation with a German entrepreneur about solar panels, which inspires his future company in solar energy.



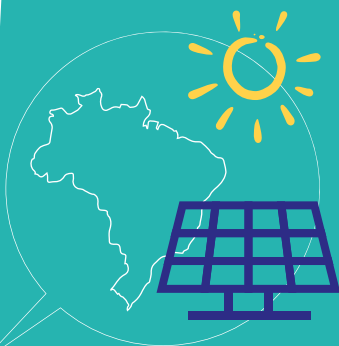
2023

Solfácil surpasses 32,000 approved projects and continues to grow, contributing to climate change mitigation and promoting decentralized energy production in Brazil.



2021

Solfácil becomes one of the leading solar energy financiers in Brazil, competing with traditional banks and expanding its business model.



Intent on venturing forth

During the summer between his first and second years of graduate school, while his classmates were applying for temporary jobs to gain experience and build professional networks, Fabio decided to start his first company with a friend he had met in a lecture class.

Once they made that choice, their positions shifted. While his classmates were overwhelmed by the stress of the first year, Fabio remained calm and collected. However, in the second year, as his fellow students found relief in securing job offers, Fabio was under immense pressure as he embarked on his entrepreneurial journey. His first venture aimed to create a marketplace connecting restaurants with potential suppliers.

“Honestly, it was rather a dull idea,”
Fabio confesses.

Coming from consulting backgrounds, neither he nor his co-founder considered themselves exceptionally creative. Despite their attempts to keep the company afloat, Fabio describes it as a complete failure. They lacked essential entrepreneurial skills. Even if he was good at solving problems, Fabio could be shy and hesitant to engage with potential clients, preferring the confines of the office.

“Although we came from a good MBA program and successful careers, we made many beginner’s mistakes when trying to start the business,” Fabio recalls. However, he didn’t give up. That’s where not only his competitive nature resurfaced but that persistent gene he had inherited from his parents.

“I am truly a persistent person when I set a goal,”
he assures.

After completing his MBA, Fabio’s partner returned to consulting, but Fabio was determined not to follow the same path. “Entrepreneurship is what I set out for,” he thought decisively. Now it’s time to make it happen.” He then returned to Brazil, where he had six months to decide whether to return to his former job at BCG; it was a break he intended to use to brainstorm ideas for his new company.

Nevertheless, his plans came to a halt for a while. Not only did he lose his momentum because he couldn’t find any compelling ideas to commit to entrepreneurship fully, but also because his mother decided to run for mayor again.

“I took on the role of CEO of the campaign, assisting her for three months. It was time-consuming and stressful, but ultimately, she emerged victorious. It was a successful journey,” Fabio recounts.

Along the way, opportunities arose for him to establish businesses, such as selling tickets online, akin to Eventbrite, or an e-commerce platform for sunglasses, similar to Warby Parker; both businesses would be tailored specifically for the Brazilian market. These and many other ideas surfaced during conversations Fabio had with fellow entrepreneurs. However, he wanted to hold out for the perfect idea that was more closely tied to his identity and his country...

As a result, he found himself back at BCG for another year. Reflecting on this decision, Fabio acknowledges the courage required for entrepreneurship, it takes a lot of guts. Often, it means giving up a well-paying job and risking all savings on a venture, of course, he was intimidated by that decision. Realizing he wasn't fully prepared, he returned to his job. However, within just six months, he began to feel overwhelmed. "This isn't right, I shouldn't be doing this," he thought. Driven by these feelings, he ultimately decided to quit.

In his pursuit to align himself more with entrepreneurship, Fabio seized a job opportunity at a startup incubator.

"It was a hybrid of a venture capital firm and an incubator,"
he explains.

However, Fabio admits that he never favored investing in numerous companies. He doesn't enjoy

diversifying risks across several bets, he prefers focusing all his efforts on one direction. Nevertheless, he wanted to be immersed in the entrepreneurial domain. He actively sought opportunities to learn from colleagues, understand their journeys, and uncover the elements behind the scenes.

During this period, he invested in a couple of companies, keeping them on their feet and helping them grow as part of the incubation process. At one point, he became the interim CEO of one of them for six months, so he got a taste of what it was like to be an entrepreneur.

Simultaneously, Fabio decided to start a small business. He partnered with a friend from his hometown Sumaré, who owned a family clothing manufacturing company, and together, they launched an e-commerce platform. Thus, little by little, he gained more experiences that helped him mature as an entrepreneur.

Then he realized that, for him, entrepreneurship couldn't be a part-time thing. While many who start their own company may seek to maintain a secure salary, Fabio believes that true entrepreneurship requires putting all your chips on the table and risking everything, as it is this risk that allows you to commit and focus on your project fully.

"I learned that lesson the hard way with the e-commerce business," Fabio says. "There were three of

us, and we all put money into it, but none were fully committed. One partner was busy with production, I was focused on business building, and our other friend had other jobs with different companies. We weren't all in, and it showed. We struggled, and eventually, it didn't work out."

He also came to realize that he didn't resonate with the approach taken by the startup incubator. He didn't have much confidence in their methods. Typically, Fabio explains, venture capital firms prioritize finding the right individual to invest in, as the entrepreneur is often more crucial than the idea itself. The entrepreneur's passion and vision serve as the focal points throughout the investment process. However, the approach was different with the startup incubator:

"We were there without any passion for business. I'm oversimplifying here, but it felt like we were just identifying companies operating in the United States and sought out intelligent individuals with an MBA background to replicate something similar in Brazil."

"This was the complete opposite of what I expected," Fabio asserts. For him, the approach should have been

to find the right entrepreneur trusting them, as they are the only ones capable of determining what must be done to ensure the company's success. If the initial version failed, the entrepreneur would pivot towards a second iteration, engaging in learning and testing different strategies. However, this wasn't the philosophy of the business builder, which left him feeling frustrated.

One of the ventures Fabio was building within the startup incubator was a lead generation business. Essentially, they gathered quotes for various product categories and sold these leads to three or four providers of those services. They earned revenue by connecting potential clients with these service providers.

Fabio met with the German founder of the lead generation company they partnered with in 2014. During their conversation, Fabio was eager for insight into launching his venture. The platform owned by the German entrepreneur, which sold hundreds of leads across various categories, presented a golden opportunity for Fabio to brainstorm potential products he could sell to establish a foothold in the market.

Fabio was surprised to learn about the significant growth of photovoltaic panels worldwide, particularly their use on residential rooftops. He had initially envisioned them mainly in large solar farms powering entire countries. This realization marked the beginning of his journey as an entrepreneur.

The Beginning of the Solar Energy Business in Brazil

After that puzzling conversation in Germany, Fabio returned to Brazil and couldn't help but continue his research on solar panels. At that moment, in 2014, he recalls it was one of the first times he heard about Elon Musk. "Have you heard about him? He's the new Steve Jobs," one of his friends mentioned. Fabio delved into reading about this captivating new entrepreneurial figure and discovered that Elon also founded a company dedicated to solar energy in the United States.

"If Elon Musk is doing it, it's probably a good idea," he thought. He was deeply excited about the enormous potential for adopting this new technology in Brazil, and he knew it was the perfect time to enter the industry.

"I was fortunate to be in the right place at the right time." It was a chance to catalyze disruption through solar energy.

On this occasion, Fabio did not feel the same fear as before. He was very determined. He quit his job and told himself he would start his own solar energy company... but he wasn't really clear on what his business model would be. What would the strategy be? He learned from Elon Musk's diverse entrepreneurial endeavors and remained open to testing other models that might work in his market. The one thing he

was certain of was that the industry would flourish, and he hoped to do whatever he could to grow his business.

He made his way to the garage of the house he lived at that time, where he resided with three friends/roomies, and set up a table he had acquired from a recently bankrupt company. This marked the start of his venture in the solar energy sector. With \$500,000 reais in his bank account (about \$100,000 USD), primarily sourced from a student loan that would take several years to repay, he embarked on this journey accompanied solely by his two dogs, Bento and María.

For three years, their business model revolved around being a solar panel installation company. They sold the system directly to consumers. They became one of the companies' purchasing leads from the German entrepreneur who initially introduced Fabio to the potential of solar energy.

Regardless, Fabio acknowledges that they were far from being a tech company in the initial stages. The market was still relatively small; in their first year of operation, only around 300 individuals purchased solar energy systems in Brazil. "There wasn't much to do. There was no CRM to build, nor was there a fintech to create. I could only sell the systems in Brazil, and that's what I did," Fabio explains. Being a pioneer in his field, he had to pave his way.

He scaled the business on his own for four years, but the company was on the verge of bankruptcy several times.

“Then, at a very difficult time in 2018, we pivoted. I said: ‘The market is growing and I’m already an expert in this sector in Brazil. There are more things to do,’ and I decided to become the first solar fintech in Brazil,” says Fabio.

Solstar, as the company was initially called, became Solfácil. Fabio not only started selling and installing solar energy services but also introduced financing plans for prospective buyers. Fabio went out and secured funding from angel investors, and the rest, as they say, is history.

Today, Solfácil is recognized as one of the top three solar financiers in Brazil, competing with established banks in the industry. Their scope has broadened significantly; they are no longer just a fintech. “We’ve evolved into an ecosystem,” Fabio asserts. Alongside functioning as an e-commerce platform and fintech, Solfácil also operates as an insurance provider and an Internet of Things (IoT) company. They develop their own hardware and software technologies, empowering both installers and consumers to maximize the efficiency of their solar energy systems.

Although Brazil started with a very small market of 300 people in 2014, close to one million people are already embracing solar energy systems today. This remarkable growth has propelled Brazil past the United States, securing its position as the world’s second-largest market in the solar energy industry.

Fabio reckons that there is still much to be done. They have raised multiple rounds of financing, and he considers they have a great group of investors backing them. “Only 2% of Brazilians have solar panels on their roofs. Eventually, it will be 50%. There is a great transition towards electric mobility, so everyone will eventually buy a hybrid or electric car. There will be even more pressure to produce electricity... And Brazil is a country where, when GDP grows a little over 3%, there is the potential for electrical collapse,” states Fabio. In this regard, he ensures that the decentralization of electricity production will be vital for the country’s growth.

Fabio persevered. It took him roughly six years to glimpse a ray of hope amidst the darkness. He teetered on the edge of bankruptcy, with an empty bank account, unable to partake in countless activities his friends enjoyed. Enduring these hardships demanded unwavering focus and resilience.



“Reflecting on where I am today, I often ponder if I could endure it all over again. I was on the brink of collapse, with no one else but myself believing things would turn around,”
Fabio recalls.







For him, pursuing a master's degree at a major university can be a double-edged sword, and even be more of a liability than an asset. He argues that the high costs and accompanying pressures, such as the need to secure a lucrative job to repay student loans, may discourage aspiring entrepreneurs. However, he admits the MBA was very important to his professional path. It allowed him to make connections that remain valuable to this day.

Fabio believes that when entrepreneurs start a company, whatever they are trying to build, the mere act of attempting to solve problems is exciting. In this regard, he considers himself fortunate because, above all, the problem he is solving is also interesting to him.

He operates within the energy decentralization industry and has also dedicated himself to tackling what he views as the world's number one problem today: climate change. “There's also significant social impact involved, as electricity constitutes one of the most substantial expenses for families in Brazil,” Fabio emphasizes.

“I can't see myself doing anything else in my life,” he assures. Fabio is not considering selling the company. He knows he will eventually have to give more space to investors as soon as the market shares come along. Still, he doesn't envision anyone besides himself leading the process and evolving with his company. Furthermore, he wants to continue working in the solar industry for the next 10 years. While AI (Artificial intelligence) or cryptocurrencies might seem intriguing, nothing excites him more than his current work.

TAKEAWAYS

-  The opportunity to solve a huge problem can appear at any time. **You must keep an eye out to avoid missing the train that will change your life.**
-  **Well-managed competitiveness can take you far.** Beyond comparing yourself to others, look for your competitive drive to fuel you as you grow.
-  **Pursuing an MBA can be a good starting point** for your journey as an entrepreneur or for transitioning your career to another industry.
-  **Entrepreneurship demands courage.** At times, it means leaving behind the comfort of a stable job and its security. It requires acknowledging the risks and making bold yet informed choices.
-  **If you're not quite ready for entrepreneurship, that's perfectly okay.** Take your time to prepare gradually, explore topics that resonate with you, and grow as an individual, a leader, and an entrepreneur. It doesn't hurt to familiarize yourself with the entrepreneurship ecosystem before fully immersing yourself in the journey of launching your own company.
-  Entrepreneurs need to **be patient and sharp** to know **when to change** their business models. Even really good ideas **can take many years** to generate great results.



GERALDO THOMAZ

Following an idea that is
bigger than yourself

VTEX's litmus test

Sport fishing was the coincidence that would reunite Geraldo Thomaz and Mariano Gomide de Faria, eventually leading them to create VTEX (NYSE: VTEX), the composable and complete commerce platform for premier brands and retailers. In the 2000s, these former university classmates and colleagues at the Brazilian bank Icatu were among those who seized the opportunity presented by the internet boom to grow a business that, 20 years later, would evolve into a unicorn.

VTEX is trusted by 2,600 global B2C and B2B customers, including Carrefour, Colgate, Motorola, Sony, Stanley Black & Decker, and Whirlpool, having 3,500 active online stores across 43 countries. Its composable and complete commerce platform delivers more efficiency and less maintenance to organizations seeking to make smarter IT investments and modernize their tech stack. Through its pragmatic composability approach, VTEX empowers brands, distributors, and retailers with unparalleled flexibility and comprehensive solutions, enabling them to invest solely in what provides a clear business advantage and boosts profitability. The company is also recognized by industry experts such as IDC, Gartner, and Forrester, which recently was recognized as the Customers' Choice in Gartner's

Voice of the Customer for Digital Commerce and as the 'Leader' in IDC's Marketscape: Worldwide Midmarket Growth B2B Digital Commerce Applications 2023-2024 Vendor Assessment and at the IDC MarketScape Worldwide B2C Digital Commerce Platforms for Midmarket Growth Vendor Assessment study.

But reaching these milestones wasn't simple. Building VTEX required sweat, tears, and lots of effort. When the startup had been in business for its first seven years, its primary challenge emerged: competing to create Walmart's Brazilian website, the world's largest retail company. It was the golden opportunity to prove that their venture, VTEX, had much to offer.

Creating Walmart's Brazilian website was their trial by fire. Walmart wanted all participating companies to work very quickly but also to ensure that the chosen ones would be capable of carrying out the task.

“They hired IBM to assess our capability and that of our competitors,”
recalls Geraldo.

Geraldo poured all his physical and mental energy into that selection process, which lasted for a year.

“There wasn’t a second where I thought, ‘What if we lose?’ We simply didn’t have the option to lose,”
Geraldo shares.

Regardless, given Walmart’s colossal scale, its needs were larger and more rigorous than any other clients VTEX had previously encountered. “They had numerous doubts about our ability to build their platform,” Geraldo explains. VTEX was subjected to highly intense pressure.

They needed to develop a functional platform that operated seamlessly, but it wasn’t an easy task initially. “It was the biggest company in the world hiring the smallest company at that point. It was a significant learning process that stretched our limits, requiring boldness and precision. We took risks, gave our all, and successfully delivered the project against all odds. It became the start of a new era for VTEX.”

They had to rapidly learn and mature, navigating through challenges that continued to escalate in complexity. Each assessment carried significant weight, potentially determining their fate; it was do or die.

In 2008, after a year of intense testing, the time came to stress-test the platform they had developed and then launch the website.

“It was a dense and challenging process. Not only because of the actual demand from users we would face but even more so because of the intangible aspect of the problem: Walmart’s brand,”
says Geraldo.

As Walmart suppliers, they simply couldn’t afford to fail. This would be Walmart’s second website worldwide, so making mistakes could result in layoffs or cause significant damage to the company’s image.

Faced with such a challenge and refusing to give up, Geraldo, Mariano and most of the team members ended up sleeping in the data center where the platform was being developed.

“We didn’t leave the center for three weeks,”
he said.

Eventually, the moment of truth arrived. A meeting was held where it would be decided whether the platform should go live. Geraldo recalls it as one of the toughest moments. The project leader stood

up and asked everyone to share their thoughts. Geraldo was the last to speak.

Then Geraldo witnessed how everyone, without exception, gave good and convincing arguments against the website and its launching. Swallowing his saliva, breathing calmly, remembering all he had fought to get there, Geraldo stood up last and made his case.

He defended his work and the efforts of his people under the gaze of all those who thought otherwise. In the end, the project was approved. After all, they had achieved their goal against all odds.

That particular triumph acted as a catalyst for everything within VTEX, transforming Geraldo and Mariano's

lives. However, this didn't mean that all of their challenges would end there. They still faced a considerable journey ahead.

Today, VTEX has a workforce exceeding 1,300 employees globally, operates from 18 locations, and has 2,600 B2C and B2B customers with 3,500 active online stores across 43 countries. After 23 years of effort, dedication, and adaptability, they have accumulated a market capitalization of \$1.3 billion USD.

Geraldo has lived in the United States and Brazil. He begins his day usually at 6:30 in the morning, heading to the gym for weightlifting. He also enjoys spearfishing. While he once excelled at playing the piano, it's been several years since he's practiced. He reads eight books per year and identifies as a spiritually inclined person. Seeking self-improvement, he attends therapy sessions regularly.

Life before entrepreneurship

Reflecting on his childhood aspirations, Geraldo recalls that his initial dream was to become a bus driver when he grew up. Naturally, this dream evolved as he matured. In this regard, his parents played a significant role in shaping his ambitions.

Throughout his life, Geraldo was exposed to a powerful example of entrepreneurship and owning

a business right at home. As unexpected as it sounds, his mother and father established a school in their backyard. This initiative began a year before Geraldo even learned to read and write, allowing him to attend throughout his entire primary education. "The school expanded alongside me as I grew, as I progressed from one class to another... and eventually, it outgrew

our backyard, prompting us to relocate it to a different site.”

“My mother was the intellectual force behind that entrepreneurial endeavor,”
Geraldo recalls.

His father, a lawyer who later ventured into real estate, oversaw the construction of the school and managed the operations. Geraldo recalls their involvement in the electrical and plumbing work. “We built the school with our hands from the ground up,” he remarks. Despite the family’s desire for a beach vacation, Geraldo’s father enlisted their help in building the school during summer.

Both his mother and father continue to run functional businesses to this day. “My father would always repeat, every day, that we needed entrepreneurs,” Geraldo recounts.

“But only my father used to tell me these kinds of things. Mom didn’t do that. She was more like, ‘Do what makes you happy,’ but for my dad, this was the recipe for happiness.”

During high school, Geraldo was an excellent student, so he had a very wide range of paths to choose from. “I knew I could try anything I wanted. I didn’t know exactly what

I wanted to do, but with every path I considered, I checked if there was an opportunity to become an entrepreneur through it,” Geraldo recounts.

Following this mindset, Geraldo contemplated pursuing a medical career and becoming a doctor for some time, attracted by the potential to establish his clinic and a personal office. However, he eventually chose Mechanical Engineering.

In high school, Geraldo and his classmates went on a field trip to see what a typical workday was like in several companies. They ended up at an engineering company that was developing highly sophisticated technology for the oil sector in Brazil. The company was still very small, but it was owned by a single individual who was a leading figure, an expert in the technological advancement of their market.

Geraldo thought to himself, **“Maybe I can do something like that eventually,” and that was the reason he ended up studying Mechanical Engineering.**

Throughout his university years, he maintained a strong academic record. Engaging in extracurricular activities, assisting in science labs and the library, and taking a role as an instructor were just a few of his endeavors there. “I made the most of my time in those first

years,” Geraldo remembered. It was during this period that he crossed paths with an important figure in his entrepreneurial journey: Mariano, who would later become the co-founder of VTEX. During their university years, their bond deepened significantly through their shared interest in spearfishing.

Mariano had started working at Icatu Bank in Rio de Janeiro, so he suggested that Geraldo also submit his resume.

“I did send it, but I also remember sending it to other construction companies, as that was the original path I wanted to pursue. However, the bank recruited me faster than the top company where I wanted to work. Some companies didn’t even respond to me,”
Geraldo recalls.

He joined the bank as an intern, delving into the burgeoning Brazilian bond market for six months. Little did Geraldo anticipate that a crisis unfolding on the opposite side of the globe would impact his work field. In 1998, a severe crisis gripped Russia, leading the country to default on a substantial portion of its financial commitments.

Following this situation, Geraldo’s entire department was dismantled. “They halted the project because there were no assets left to trade. The credibility of the bond market was destroyed by the crisis in Russia. One day, I went to the bank, and my department no longer existed,” Geraldo recounts. He was eventually reassigned to the asset management department.

This experience at the bank taught him that failure can happen to anyone. “And, perhaps unexpectedly, that bolstered my confidence. I have a father who consistently urged me to take risks. He took risks himself and reaped the rewards. I went to an unusual place for me, to work in a bank, and failed in my first stage. I believe this pivotal moment in my story enabled me to handle the downsides of entrepreneurship with greater resilience,” shares Geraldo.

At some point, as they matured and completed their university studies, Geraldo and Mariano began to discuss their future. “I couldn’t see a possibility where I ended up owning a bank because the market was already very consolidated, especially in Brazil,” explains Geraldo. Unlike what had happened with the idea of becoming a doctor or engineer, Geraldo could not envision a path where he would be an entrepreneur in the banking industry.

Simultaneously, the internet bubble frenzy was in full swing.

“Everyone was establishing businesses and doing all sorts of things. It was like an open field, an expansive playground,” remarks Geraldo.

“Similar to how artificial intelligence dominates discussions today, with mentions of it at every turn, back then, the internet was the predominant topic of conversation.” And there he was, at the bank, fully aware that he wouldn’t be able to do anything on his own if he remained there, watching as a new universe of possibilities unfolded before his eyes.

Both decided they would quit their jobs and explore the internet. Geraldo remembers himself wandering the university hallways, approaching anyone nearby with the question,

“What possibilities does the internet hold?”, seeking fresh opportunities to explore alongside Mariano.

And soon, a potential path appeared. “It wasn’t even a particularly promising opportunity, but it was an opportunity,” Geraldo reflects, looking back. This entailed forming a marketplace for the textile sector. “During that time, everyone was discussing the idea of brokerage. Numerous websites or companies were acting as middlemen in the sale of cars or real estate. The internet catalyzed an increase in intermediation throughout the value chain,” Geraldo elaborates.

In this regard, he and Mariano noticed that most of the appealing sectors had already been taken in Brazil... except for the textile industry. “Let’s give this a shot,” they said to one another. And they did, but it didn’t go as planned right away.

“At the very least, it was enough for us to take a leap of faith.”

Geraldo Thomaz



Geraldo and Mariano decide to leave their banking jobs and explore online opportunities, creating a marketplace for the textile industry.

2000

1998

Geraldo starts working at Icatu Bank, but his department is affected by the Russian financial crisis.



2008

VTEX wins the bid to build Walmart Brazil's website—a pivotal moment for the company.

2010

VTEX pivots to a Software as a Service (SaaS) business model, focusing on building a solution ecosystem for large companies.



2021

VTEX goes public (NYSE: VTEX), **solidifying** its position as one of the world's leading digital commerce platforms.

VTEX is born

During the internet bubble, there were individuals very close to Geraldo and Mariano, including their former boss at the bank, who were willing to provide the initial funding to kickstart their venture. Mariano and Geraldo also tapped into their savings. Everyone wanted to be part of the internet frenzy. “However, due to our lack of experience, we spent the money far too quickly... and then, simultaneously, the bubble burst. And we were left without funds. One day, we had them; the next, they vanished,” Geraldo explains.

“And we spent it hastily because we lacked the knowledge to develop websites, which no one had at the time. We couldn’t create value.”

Aware of the extent of their progress thus far and acknowledging the changing landscape of the internet market, Geraldo and Mariano saw significant opportunities in this period. Faced with no existing funds, they opted to diverge their model into two distinct pathways: first, creating CRM software tailored for use by textile industry firms to streamline customer interactions; second, providing web development services when such expertise was scarce.

Geraldo explains that their company was small in size. Sometimes, there were ten individuals, but it could be

just Mariano and him constructing websites on other occasions. Transitioning to this business model enabled them to earn some income, but this approach was still a far cry from what they would eventually accomplish at VTEX. Pivoting to this business model, they could start generating some revenue, but that model was still far from what they would eventually do at VTEX.

While Geraldo and Mariano initially conceived the idea of establishing a marketplace, they recognized the potential to digitize all tasks performed by a clothing and apparel retailer through software and the Internet. Because of that, the initial name of the company was *Vitrine Têxtil*.

“In the initial stages of developing our business plan, during the company’s early months, I wasn’t fond of writing things out. Being quite young at the time, I often resorted to abbreviations. And that’s how VTEX came into existence,”
Geraldo shares.

When designing the company logo, the designer compared the appearance of the full name with the abbreviation they had been using... and ultimately, she opted for the abbreviation.

During that period, it was uncommon for companies to possess systems that allowed them to track orders or conduct audits. Geraldo and Mariano also developed systems aimed at automating these processes... however, they could have attracted more interest. "We might have had around five clients in this field," Geraldo remarks.

At a certain stage, as they constructed sales automation systems, they realized their business needed to be more adaptable, not restricted entirely to the textile industry. "We could work with any business, so we pivoted that way," Geraldo explains. Following this shift, they began attracting more clients, expanding from 5 to around 50.

However, they realized there was a major challenge ahead. **"We recognized the importance and potential of distribution capability, something we were lacking. We were simply two guys, two engineers,"** Geraldo explains.

At this juncture, they struggled to find a way to expand, prompting another pivot. "While we had a product that could benefit many, we lacked a distribution strategy or the means to scale. We were face to face with an obstacle, but we

used it as an opportunity to rethink our approach. Humans can turn a challenging situation into a positive one, and we leveraged this ability."

Geraldo and Mariano shifted their technology and product focus towards corporate and larger clientele. Their approach involved selling automated services that would later be embedded or integrated into their clients' systems.

Alongside this, they were also making headway in the alternative aspect of their business: ecommerce websites, a request coming in from many clients. This led to success with each new platform they constructed.

"We were among the select few entrepreneurs in Brazil during that era who possessed the skill to craft ecommerce websites," Geraldo explains. They even crafted one of the most influential pages in Brazil during that time.

Both branches eventually converged again when Walmart invited them to participate in the bidding process for building their website in Brazil. That would undoubtedly be the biggest and most important challenge they had faced thus far. However, Geraldo and Mariano felt they had the knowledge, and this path aligned with their outlook for VTEX's future.

Regardless, the journey and process to secure that bid was incredibly intense. Throughout the year it lasted, Geraldo and Mariano had to swim against the current and learn as they went along, adapting and refining their services to deliver the best possible product.

They were determined in the belief that losing was not an option in this competition, and in the end, they achieved a crucial victory that would shape VTEX's future trajectory.

That partnership with Walmart changed the course significantly, but it didn't instantly or magically dissolve their difficulties. In fact, despite the promising prospects that lay ahead, they found themselves effectively working as Walmart's employees for two years.

"Every week, we encountered some substantial challenge that demanded our attention. That was the scenario throughout 2008, 2009, and into 2010,"
Geraldo shares.

In 2010, VTEX began to have a greater window of time to explore external opportunities. It was essential for Geraldo not to solely operate as if they were Walmart employees, so they endeavored to launch projects with other retailers interested in building their e-commerce websites.

"Despite all these intense years, we found ourselves still without a company. remained an employee, or rather, on the verge of it. Nevertheless, I clung to hope. After acquiring some dozens of smaller ecommerce customers, we envisioned the realization of a true company at last," Geraldo reflects. "I'm dead serious. It took Mariano and me a decade to finally pick up the phone and acknowledge to each other that we now truly had a business."

The truth is that at VTEX, they continued adapting and making challenging choices to ensure long-term gains. By 2010, clients were approaching them to develop On-Premise software, which involved installing their automation systems directly within each client's infrastructure.

"However, we didn't have faith in that approach,"
Geraldo explains.

“We took the risk of turning down all offers to undertake those projects, except for two very important customers. We began offering our services in a way that, if successful, would work out in the long run.” They sought to craft a service proposal that could pave the way for developing a range of new services around it in the future. From that moment forward, VTEX committed to selling software as a service, aiming

to transition into a vertically growing startup rather than solely focusing on the regional market.

“It was one of the most important choices we took to reach where we are today, and it required careful consideration. It was not easy.”

Advice for entrepreneurs

Even during the most demanding periods, sometimes enduring sleepless nights to tackle challenges, Geraldo consistently prioritized setting aside time for therapy. He had the guidance of a therapist who remains by his side to this day.

Yoga also served as a way to overcome stress and boost energy levels. “I practiced yoga extensively. Even if the world seemed to be in chaos, I made sure to attend my yoga sessions,” Geraldo recounts. Recognizing early on that prioritizing exercise and therapy would not only benefit his well-being but also contribute to the development of VTEX projects.

He soon realized that neglecting his routines depleted him of the energy and strength needed to withstand the pressure of those initial stressful months. Therapy and yoga were key along his journey.

In other matters, Geraldo offers a valuable piece of advice for aspiring entrepreneurs that can be applied in many facets of life.

“I’ve learned that nothing that happens is as bad as it seems at first glance, nor is it as good. It’s always somewhere in between. This insight allows you to understand that even when faced with dire circumstances... If we don’t perish, we’ll endure,” Geraldo explains.

Among the hundreds of events that unfold in life, Geraldo believes that the true nature of events—beneficial or detrimental—only becomes apparent in retrospect, often months or years later. “Don’t rush to pass

judgment too quickly by saying, 'Oh, this is horrible, it happened to me yesterday.' You never know if that ends up being the catalyst for you to rethink your entire business and make the right moves." The same goes for the opposite case: if something incredible happens to someone, it can eventually lead them to stop working.

In this context, Geraldo encourages people to assess events from a more detached standpoint, avoiding excessive emotional involvement despite how challenging it may seem. This approach helps conserve energy and prevents distress and suffering when outcomes don't meet expectations.

Gaining the ability to comprehend events from a distance proved invaluable in his life—a lesson learned over years of experience.

"It's easier to handle situations when you view them with the understanding that if your business fails, it's not the end of the world, right?"
Geraldo explains.

With this perspective, he acknowledges that it's impossible to control everything, even areas where you feel you are highly competent.

Over time, Geraldo also became aware of a common occurrence

when people confront significant life challenges. "I believe that with every major triumph following any major hurdle we face as humans, there's always this feeling that we're doing something larger than ourselves. Not only are we overcoming obstacles that seem beyond us, but we're also driven by the realization that failure is not an option," Geraldo explains.

Currently, he finds passion in the problem-solving aspect of his work and the intellectual stimulation it brings daily. But there was a vision that kept him moving forward during the toughest times—a vision larger than himself, a monumental challenge: "The possibility of creating a global company that goes beyond Latin America, setting a precedent. It's an idea larger than myself that will create the greatest sense of fulfillment in my life."

Based on his experience, one of the most common factors leading to the downfall of well-prepared entrepreneurs is internal conflict among co-founders. Many of the companies he has seen fail are due to intense disagreements, friction, resentment, or the departure of one of the co-founders.

"Because of this, my first piece of advice is to choose your co-founder and initial employees carefully," says Geraldo. He recommends analyzing the different perspectives required, the problem at hand and the potential the co-founders and initial employees have working together.

“And if you decide to join them, don’t change your mind easily. Be cautious in choosing your team, but be extremely careful when parting ways with them.”

From his perspective, once you’ve chosen your teammates, remaining resilient and trying to improve together is essential. “I believe that if two, three or four highly skilled and motivated people come together to solve a problem, they will succeed... but only if they are aligned to pursue the same goal, with no conflict of interests,” Geraldo assures.

The next piece of advice revolves around the phase in which companies begin to gain momentum. According to Geraldo, you should carefully choose the strengths you will seek to develop while being aware of their inherent weaknesses. At VTEX, for instance, they chose as strengths to offer software as a service, to create an ecosystem, and to evolve a multinational company...

“But every choice comes with a weakness. When you choose to go international, you accept the risk that while expanding internationally, you might leave a gap in your home country for competition to emerge. This happens, so you must be aware,” Geraldo explains.

“When you choose something, you’re also choosing something else, so be cautious about the strengths you decide to develop. Some call this ‘focus,’ but I’m articulating it differently.”

Speaking about the importance of education, Geraldo emphasizes that a strong foundational education and solid university studies are crucial for individuals to cultivate effective learning skills.

“I don’t do calculations in my daily work, nor do I measure the resistance of materials, and I studied both disciplines extensively during my engineering degree. However, they played an essential role in shaping my cognitive abilities, for the formation of my brain, for its elasticity, this allowed it to learn how to learn,” he explains. Nevertheless, he recognizes that there are very intelligent people who have learned and cultivated their skills independently and that going to a good university is not the only way to personal and intellectual growth.

For Geraldo, arrogance can be a huge obstacle for those seeking to be successful entrepreneurs.



“This is a journey of humility. Building a company involves making frequent mistakes. You have to apologize, fix the path you’ve been on, adjust it, and acknowledge your stupidity all the time,”
Geraldo says.

Geraldo has devoted more than half of his life to VTEX, yet the aspiration to achieve something bigger than himself continues to drive him. He wants to keep contributing to his vision. As time passes, Geraldo aims to ensure VTEX’s long-term success and enduring legacy.

“VTEX holds a significant place in my life, but over time, I’ve learned not to define myself solely by it. It’s crucial to maintain a distinction between VTEX and my identity; VTEX transcends any individual. My role is contributing to its growth, vision, and seizing opportunities while I perceive I add value, which I still do. However, the legacy built with Mariano takes precedence. Recognizing this clarity took years; it wasn’t until recently that I even had a personal email address apart from my VTEX one. Yet, it’s essential for the company’s prosperity and for making sound decisions, both in the short and long term, ensuring our legacy endures beyond our time on this earth.” concluded Geraldo.

TAKEAWAYS

- ✓ Entrepreneurs are shaped by challenges that initially seem daunting, often realizing their capabilities only after exerting tremendous effort. **The key often relies upon believing that something is not impossible.**
- ✓ For aspiring entrepreneurs, **consider careers that can lead to independent ventures upon completion**, such as doctors opening their offices or lawyers establishing legal firms.
- ✓ When facing business challenges, adapt and validate your product in the market until finding the optimal path. **Embrace complexity as an opportunity for self-reflection and reinvention.**
- ✓ Even outstanding entrepreneurs may take 10 years to finally feel they have a company. Therefore, **it's necessary to have patience and pay attention to the lessons you learn** from your experiences.
- ✓ **Prioritize both physical and mental well-being**, as they are vital for sustained productivity and success in business.
- ✓ **Remember that initial perceptions of events may not accurately reflect their long-term impact.** Nothing is as good or bad as it seems at first. Adversity can often lead to growth and resilience.
- ✓ **Harness the motivation derived from pursuing something larger than oneself** to drive personal and professional development.
- ✓ Choose business partners and team members thoughtfully, ensuring alignment of goals and values to foster collective growth. Choose your business's strengths carefully because each strength has an inherent weakness. **When you choose a strength, you also end up choosing a weakness.**
- ✓ Embrace a continuous learning mindset: **learn how to learn**, whether by attending a good university or on your own. On the other hand, we must **let go of arrogance** because it has no place in the humble process of entrepreneurship.



JAVIER MATA

The entrepreneur in peace and war

Dare to dream big

If there is one thing that characterizes Javier Mata, it is the ability to dare to dream big. The founder of Yalo, a global conversational AI company, has always exploited that quality. It is no coincidence that he is one of the first Latin entrepreneurs to use artificial intelligence at the core of his business enabling hundreds of companies to offer better shopping experiences to hundreds of millions of customers, and that has caught the attention of a company as internationally important as WhatsApp.

How did you build this? By dreaming big. When Javier was 12 years old, he learned a lesson that would take him to this stage of his life. One day he approached his dad to ask him one of the questions that would leave the biggest mark on his life. It was one of those unforgettable conversations that change people for the better.

—Hey, Dad, do you have any regrets in your life?

He had always been a curious and alert child, but few people at that age dare to ask such profound questions. His father remained silent for a few seconds, surprised, searching for the best words.

—Look, Javier, the truth is that the only thing I regret is not having dreamed bigger,” replied his father, with a smile.

—What do you mean you regret not having dreamed bigger? —Javier thought his father must be pulling his leg. He had always seen him as a great example, as a person who had achieved a lot, as someone successful. What he was saying didn't seem to make sense.

—Of course, because everything I dreamed of, in a way, came true. Just imagine what I could have achieved if I had dared to dream bigger.

Those words marked a turning point in Javier's life. Although he didn't reflect on them deeply during his early teenage years, as he grew and developed both as a person and as an entrepreneur, the invaluable lesson his father had given him kept coming back.

He knew he had to dare to dream big. One way or another, he understood that setting important goals was the key to moving towards them and achieving them. He couldn't have known it at the age of 12, but his innate curiosity and dreams of making an impact were going to propel him to create one of the most important companies in Latin America.

Currently, Javier Mata is the founder of Yalo, a company that has revolutionized the way hundreds of millions of users and millions of companies shop using artificial intelligence agents.

Javier speaks more than 3 languages, is a very spiritual person, starts his day at 3:30 in the

morning and is considered by many an intense human being, as his source of energy comes from looking for bigger and bigger problems to solve, from renting any item to allowing companies to grow on autopilot aided by artificial intelligence. Undoubtedly, Javier dares every day to dream big.

A person at peace seeking war

Javier describes himself as someone who believes that harmony lies in consciously deciding how to disrupt your own peace and what to become obsessed with. He believes that when you desire, you lose your peace, so he chooses his desires very carefully to make sure they're worth pursuing. What has always been present in his life is curiosity, the desire to help others, and the drive to learn how to create greater impact.

For Javier, things make sense based on the narrative we give them. "In the end, everything is a game. If you think that sports, entrepreneurship, creating companies, family and money are different games that somehow entertain us, excite us and give meaning to life, what you have to do is recognize what game you want to play and how you want to play it," he says.

Always very introspective, Javier believes that there is no single answer to what our purpose as human beings

is, but that we tell ourselves a story and believe in it, and that can help us grow or destroy us.

In this sense, he himself has chosen to tell himself stories that bring him energy and peace, but that feeling of happiness isn't static.

"Depending on the day, if you stop to look at the moon, you will find it as a full moon, a quarter moon or barely being able to see the moon in the sky. I think that's how consciousness and the human condition is."

From a very early age, Javier was always on a creative path. He was fascinated by cartoons where scientists built unexpected things, traveled to other planets and

explored the world. He would take things apart, build remote control cars and learnt how the devices he was near worked; it was something that fascinated and captivated him since he was a child.

He couldn't have known it in his childhood, but in the future he was going to maintain that same passion for problem solving.

As a person
and as an
entrepreneur,
when someone
tells him,
**“This can't be
done,” the message
that appears in
his mind is:
“Can't be
done? Challenge
accepted.”**

Creating impact, contributing to others, and learning new things bring him deep satisfaction, they are needs he is constantly seeking to fulfill.

His father taught him the value of hard work. Javier fondly remembers that, many times, when he asked about his father's job, he would reply that he was an airline pilot. His dad traveled out of town a lot for his job, so Javier had already gotten the idea that he was a pilot.

Her dad's story taught him that with hard work you can achieve things that many people would think impossible.

He enjoyed reading biographies of legendary entrepreneurs such as Vanderbilt or Rockefeller, but he was more passionate about more recent success stories, such as those of people like Bill Gates or Steve Jobs. Javier realized that, in the past, it could take centuries to make an impact, but things were different in today's times. With software and technology, systems had been created that made a huge impact on all industries, brought wealth and could even completely change a nation.

But then he looked at the place where he had grown up, Guatemala, and wondered: “When was the last time any of these products were made here? Javier realized that most companies distributed products that had been made by foreigners, usually Americans or Asians. He had always wondered why Latin America could not be a region of creators.

**“Why aren't
there more stories
of people like
Bill Gates or
Steve Jobs here?”**
he asked himself.

Living his early years in Guatemala had a major impact on Javier. Thanks to his mother, who first worked in banks and then went on to help at a children's cancer hospital, Javier learned about the serious problems in his country. His own grandfather, a doctor that Javier loved very much, told him that he had to grow

up without food, without a father or mother because they died when he was young, and that he had to take care of his whole family. All these ingredients led Javier, in the future, not to seek to be a technological entrepreneur for the simple pleasure of creating and getting rich, but rather one focused on moving his country and his region forward, generating new opportunities for his people.

Although he was always curious, Javier was not the best behaved of the students during his adolescence. School bored him too much and he started to invent different pranks that led him to suspensions, at the same time he wanted to create and start a business. It didn't take him long to do so, since, without leaving school, he was already selling items at gas stations to generate money. He started his first business at a very young age.

However, there was a moment that marked a turning point in Javier's life. He was 14 years old, in his second year of high school, when a teacher confronted him and said something that had a profound impact on him:

—Hey, Javier, you are the most mediocre person I know.

Those words, sharp as knives, hit his pride hard.

—What do you mean, mediocre? Why do you say that?

—I see that you have a lot of talent, Javier. Studying comes easily to you, but you're practically wasting your time compared to everything you could be doing.

—And what could I be doing, according to you?

The teacher ended up challenging him to enter a physics competition, and Javier didn't shy away from the challenge. Motivated by courage and a desire to prove his teacher wrong, Javier began studying physics intensely, and ended up loving it. From that experience, he discovered a passion for learning about things he didn't yet understand, to the point of mastering them. It also sparked his curiosity and love for science.

The teacher's statement pushed him; it was one of the first and most important moments when he told himself, "Challenge accepted." Javier began competing in fundamental physics contests and even made it to Guatemala's national physics team. This new passion for learning helped him achieve high grades, good enough to earn a place to study abroad. Javier couldn't have known it at the time when the teacher called him mediocre, but that moment was the beginning of the world opening up to him.

Knowing he had nothing to lose, he applied to most of the important universities in the United States. Some accepted him and some did not, but he finally decided to study Systems Engineering at Columbia University in New York, one of the largest and most important cities in the world. He knew that there was a lot of innovation in the United States

and he wanted to surround himself with people who knew how to create disruptive technologies. He wanted to be in the place where everything was emerging, where he could learn from the best in the world and then be able to apply that knowledge back home. He had an opportunity and he wasn't going to miss it.

Studying and becoming an entrepreneur

When Javier decided to leave Guatemala, it was because he wanted to follow a path similar to that of Bill Gates or Steve Jobs, not to work for one of them. From the very beginning, he knew he wanted to build his own business. Just like when he was a child, a big part of his energy was sparked by the idea of creating, but now with the purpose of making an impact. In this spirit, and continuing the trend of launching small businesses and projects to earn some money, Javier ended up creating his first formal venture with a partner while studying at Columbia.

One thing that was clear to him was his desire to create things on the Internet. It was in the early 2000s, at a time when the Dotcom Crisis had already happened, where interesting sites were just emerging, but Javier knew there were many opportunities to explore. Talking with his partner, they both came to the conclusion that many people had empty space they were not using:

“What would happen if through the Internet you could rent any surplus item to people who needed it?”

Out of that came their first venture, Rentudo. Rent plus “Tudo” from the Portuguese word meaning “everything”. The idea was that any asset you had could be rented to someone else.

At that time, companies like Airbnb were also emerging, sharing the same concept of a collaborative economy. Javier was studying and between classes he dedicated himself to designing, building and programming for his project, occasionally traveling out of town to get it off the ground. They even teamed up with a team of partners from Slovenia who also worked on Rentudo's software. Things, Javier believed at the time, were on the right track, but soon they would suffer a reality check.

**Looking back,
Javier is aware
that Rentudo was
a great experience.
“We made all the
mistakes
you can make as
an entrepreneur,”
he recalls.**

In any case, he discovered that, although in the scientific world there is a formula that if you learn it you are almost guaranteed success, in the world of entrepreneurship it is completely different. He needed to live that reality in order to understand it.

He learned that working hard or following a formula isn't enough. You can do all the things that are considered “right,” but if you don't truly understand what the market needs, if you don't create a product or service that people want and are able to buy, and if it doesn't align with the timing of the market, it simply won't work. There were thousands of factors on the entrepreneurial path that Javier hadn't considered.

They acted on the belief: “I think this is how this problem should be solved,” strongly trusting their own vision. But they assumed that just

because people said they would use it, that was enough. Javier and his team spent a long time building the software, but when they launched it, they realized there was too much friction for users. Rentudo went through several iterations until it became a property management software. It operated successfully for almost two years during their time at university, but they eventually decided to sell it to recover part of their investment and then shut down their operations.

That Rentudo did not have the expected success was a hard blow for Javier. He had people who had trusted him, who had invested, who had come on board, and also those he had hired. He felt like a fraud because they had not met the objectives. For a few days, the feeling that he had failed overwhelmed him, but he soon found a way out of that state of mind.

Javier realized that he had been attributing much of his value as a person to what he did and what he was capable of doing. If his business was successful, Javier had worth; if the project had complications, he no longer had worth. Everything revolved around the idea of success. Rentudo's failure allowed him to question the value he was offering to the world.

He understood that if he did not value himself, no one else would. Failure allowed him to refocus on the reasons why he should become an entrepreneur; If his venture started

from a place of being at peace with himself, of understanding his own value and creating to positively impact others, the process would be much more sustainable than if he were driven by a sense of lack or the need to fill a void. The fall of his first startup brought him a great deal of resilience.

He was also able to let go of fear. If in the end things didn't work out, he was sure he would be able to get up the next day to start something new, because failing didn't mean he was worth less as a person.

One of the signs that led Javier to sell and close his startup was the realization that he had run out of energy to keep tackling the problem he was addressing. Over the years, he came to understand that companies are in a constant battle, and they don't die because they run out of money, but because the team and its leaders run out of energy to keep fighting. When the drive to go to war, hiring, selling, fundraising is gone and faith is lost, the best thing to do is step aside and move in a new direction. Next time, Javier was determined to make sure that the problem he chose to solve would be one he was truly passionate about.

At the beginning of his time as an entrepreneur, he recalls that one of the biggest lessons he learned

was to recognize that he didn't have to have the solution to everything, but he did have the curiosity to figure it out. He was very proud; he admits that he thought he knew it all and didn't listen enough when he approached people for advice. However, over time he was able to keep an open mind to surround himself with people who brought him value. On his own initiative, he even approached directors of other companies to talk to them and learn from their experiences, in order to understand his role better.

Anyway, after Rentudo closed, Javier went into a period of pause and reflection...which lasted only a week. Then the hunger and his creative energy returned; he had a hard time sitting still, so he started actively thinking about what to do next.

He dedicated himself to short projects while deciphering the problem he wanted to focus on. He opened a coworking space, set up a real estate company and started several other projects, always driven by his desire to create. By this time, he was identifying problems, defining how he could solve them better or differently than the competition, and then jumping right in.

Soon he began to reconnect with the purpose for which he had decided to go to the United States: to build technology from Latin America that could have a global impact; that could solve problems still latent in emerging markets. He said to himself: "If we as Latin Americans

are not the creators of technology, the countries that are, are going to disrupt us. I have to find something that, as Latin Americans, we are better positioned to solve than the Americans and create a technology company that scales globally,” so he focused on that while continuing to pursue other business ventures.

Javier was clear that high-growth ventures, which could eventually bring him significant rewards, were also high-risk. In this sense, while defining his path, he worked with low-risk projects where he did not invent anything new, but innovated processes.

“If I’m going to work on something that’s high risk, it better be a problem that really grabs me,”
he said to himself.

In that search, he began to notice how much the way companies communicated with and served their customers resonated with him. They were investing a lot of money to attract people to their businesses through advertising, but once customers were there, the service wasn’t great, and there was little to no follow-up. It was a significant problem—but he still didn’t know exactly how he was going to solve it....

Until he started visiting the San Juan market in Mexico City. Javier really liked to eat fish, so he always went to the stall of a man named Alan, who sold him seafood. Alan had gotten his WhatsApp number, so every Friday he would send him messages to offer him his merchandise, and Javier would always buy it. One day, analyzing things, he said to himself: “I’m sure Alan hasn’t realized that we are doing digital commerce; but this is one of the best shopping experiences I’ve ever had. The future has to be like this; personalized, with agents through something as simple as a chat”.

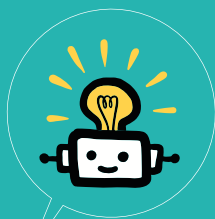
This was his Aha moment. If Javier could create a system that sold and tracked as Alan did, but that all companies could use by leveraging artificial intelligence, he could achieve something huge. The fact that, in Latin America, India and other emerging countries, applications were less developed and used WhatsApp more than, for example, the United States, put Javier in an ideal position to solve the problem. He thought that the future of the internet would be an internet in which all companies would have an artificial intelligence assistant, a conversational internet, to interact 1 to 1 with all their customers: sell, offer, attend, from a single place. And by creating a company native to this conversational internet, he would be able to disrupt big players like Salesforce; and create a company that would put Latin America on the map.

Javier Mata



2012

Javier Mata founds **Yalo**, driven by a vision to transform business communication in Latin America. His goal: make interaction between companies and customers easier through messaging platforms like WhatsApp.



2021

Javier leads Yalo through a new Series B funding round, raising \$50 million to further global expansion and develop **new AI-powered functionalities**.

Yalo is selected by Y Combinator, one of the world's top startup accelerators. This milestone is critical for its international growth and access to venture capital.

2016



The company secures its first major investment **round**, establishing itself as a robust solution for large enterprises in Latin America and Asia. Its value proposition focuses on conversational commerce powered by AI.

2018

2019

Yalo expands aggressively into new markets including Mexico, India, and Southeast Asia. Javier embraces a fast-growth mindset, emphasizing the recruitment of high-level technical talent.



2020

Amid the COVID-19 pandemic, Yalo becomes an essential tool for businesses looking to digitize communication and sales. Javier leads the company's adaptation to meet growing demand.



Birth of Yalo

Unlike the experience he had with Rentudo, Javier did not start by looking for investors to buy his idea. What he did was to gather his team and set the goal of building something in the shortest time possible, a working prototype, that they could show to people. This time, he focused on validating the concept of his business as quickly as possible and then polishing the product.

The first prototype was a kind of super personal assistant called Sara who you could ask for anything you wanted and she would get it for you. They printed flyers and put ads on Facebook where the number appeared on Whatsapp that people could write to. Soon they started receiving all kinds of messages.

From making a delivery to finding out the cost of a flight, Javier and his team began identifying, based on the requests they received, what tasks they could realistically integrate and scale within their business, and which ones simply wouldn't lead anywhere. He recalls one occasion when someone wrote to them saying,

“Hey, my ex-boyfriend won't give me back my stuff. Would you guys be willing to go get it? The problem is, it's a bit of a violent situation.”

And so, despite how bizarre it was, they had to suit up and go solve it.

In the early days of Yalo, they couldn't build any applications directly on top of WhatsApp. They had to constantly find workarounds to keep the system running, but it would frequently crash, and several of their phone numbers were even blocked. One day, however, Yalo was featured on a major television channel, and they received so many messages that they went up to three days without sleep.

They soon realized that there were certain requests that they could automate in the system, at least to a large extent. For example, ordering food and purchasing tickets was

something simple that they could scale if they could integrate it all through chat.

However, the situation was different when someone told them they needed something more extreme: a partner for a wedding, to look for things at their ex's house, or to send flowers at a specific time and place. It was a headache for Javier and the team because they had to go out and buy, pick up or deliver everything. Once they had a "fan" user who bought a lot of computers and then asked for a claim on the card and scammed them, in short, a complex business. Then they understood that the business model of an assistant that solves everything was not going to be scalable because the infrastructure was not there and neither was the artificial intelligence technology, but they knew that this was the future.

Instead of trying to cover everything, Yalo decided to focus on what they could systematize, and started with the food category. First, they built a mini artificial intelligence robot that could answer simple questions and also sell, and with that they went out to offer it to several food businesses. All the vendors had to do was upload their menu into an Excel spreadsheet and enter the prices, and the Yalo application would sell, charge and communicate with the customer.

Yalo started out working with restaurants that had integrated delivery services, one of them

being a well-known vegan food business called Los Loosers. The system began to perform quite well, delivering positive results, but over time they realized it wasn't enough. Given the amount of effort it took to set up the system, the prices they were charging wouldn't allow them to scale, so they needed to start targeting larger businesses.

Fortunately, one of the people who had used their system worked at Aeroméxico and got in touch with them. "I want for Aeroméxico what you're doing with Los Loosers. Come to a meeting and present your project," she told them. Javier and his team attended the meeting, their first attempt at selling to a high-level company, and there, they were told:

—Hey, I love everything. The technology is great, how much are you going to charge us?

Javier had the idea in his head that it was time to scale the business, so he confidently dropped the price.

-It's going to cost two thousand dollars.

The client stared at them, puzzled. There was an uncomfortable silence.

-Only two thousand dollars?

That was when Javier realized that Yalo had miscalculated the value of what they were offering. Given the level of the client, perhaps they should have charged more, but at that point they decided to go ahead. They released the product in two weeks, delivered it to Aeromexico so that they could integrate it into their systems and business started to grow, since many of the corporations that traveled with Aeromexico found out that this type of technology existed.

Very soon they realized that in Brazil, India, Southeast Asia and practically all emerging markets there was the same need that existed in Mexico to connect with the consumer where they already are, WhatsApp, and sell from there.

From the beginning they had the ambition that the technology they created in Yalo could be used globally, so they started looking for partners to expand to other countries.

There also came a time when they needed to grow as a team. They could no longer be just three people covering all the demand and building the product for the different customers they had, so they started looking for investment.

The truth is that they had a hard time finding capital. At the time, investors in Mexico preferred to bet on proven business models instead of taking risks in projects like his. He himself had to go into debt to hire staff and keep the company going, but things were not looking too good. Almost a week after running out of funds, when everything seemed to indicate that they would have problems, when they were on the verge of disappearing, they managed to get the investment and were able to have some air to continue growing.

In those years, WhatsApp was still closed to developers, so the whole model worked through Facebook Messenger. What Javier started doing was contacting WhatsApp people in the US and constantly asking them when they were going to open the app. Over time, his insistence brought him positive results:

One day, they received a call from the WhatsApp team.

—Hey, you've been looking for us non-stop for months, we have good news for you.

The Whatsapp team revealed to him that they were thinking of opening the app, but the company that was going to work with them had run into problems.

—We wanted to know if you could have something ready by Tuesday. We don't think it's possible, but we just wanted to let you know the opportunity is there.

—Of course we'll be more than ready," he replied, his heart beating a mile a minute.

The call came in on a Friday. Javier and the Yalo team spent the entire weekend working, barely sleeping until the very last minute. It was one of the most intense work marathons of his life, but the satisfaction they felt when the product worked was indescribable. Thanks to that opportunity, to their persistence and collective effort, Yalo became the first partner in the world to build an application on top of WhatsApp.

In those moments, Javier remembered the importance of dreaming big and being persistent. He had dreamed big. On several occasions, while talking with his team, he had told them: "You'll see, one day we'll be onstage at Facebook events, sharing our success, because we built this infrastructure. We're going to be part of all that." And now, they had achieved it. To all entrepreneurs, Javier always recommends aiming high. If you dream big, people get more energized when you share your vision, and the chances that they'll join your team or invest increase. With better people and more

resources, it becomes a self-fulfilling prophecy. Yalo was now on the path to success and it all began with a Guatemalan who dared to dream big.

Of course, Javier still had a lot to learn in his journey as an entrepreneur. He admits that at the beginning of this stage, the habits and customs he had did not generate the greatest amount of energy or satisfaction because his life was practically very sedentary.

"When you don't take care of your body, your body starts to attack your mind, and that's when you get into a whirlwind that's hard to get out of," he warns.

At that time, he went through a deeply emotional blow when his best friend passed away. That day, they had been at a dinner together, but when Javier got home, he received a call telling him that his friend Rodrigo hadn't returned—that he had been in an accident. It was a situation that brought him immense sadness and pain, but it also pushed him to make a change in his lifestyle.

From that point on, he became more introspective and began practicing freediving, a form of diving where you submerge without a tank and hold your breath. Javier says that freediving became a crucial part of his lifestyle transformation, as it requires a deep sense of inner peace to practice.

Very soon, he began to notice that as he felt better internally, his decision-making and ability to handle crises improved. He experienced greater mental clarity since he started practicing freediving, and that motivated him to dive even deeper, both into the sport and into a more mindful way of living.

To make progress in freediving, he had to learn how to face the mental fear of dying, to truly understand that, no matter what happened, he was going to be okay.

**“The fear of dying,”
he says, “is ultimately
also the fear of living.”**

He had to change many things outside the water, resolve personal matters and grow as a person, in order to be at peace while diving and to let go of fear. This personal growth has helped him take risks in the corporate world in a healthier, more conscious way.

In entrepreneurship, Javier also had to face many fears. “As social beings, we learn from a young age that we cannot survive if we are not wanted or accepted, and to be an entrepreneur you have to be able to be seen as “crazy” for a few years,” he acknowledges. The biggest fear that many have to face is being rejected by society or not being accepted, which translates into the fear of the business failing, of making a fool of oneself and of clients or investors not being interested in the project.

One thing that helped her a lot in letting go of that fear of rejection was confronting it. “The fear is of rejection? Perfect, I’m going to go look for rejections,” he said to himself. So he set out to find 150 rejections in a year, which is three a week. The idea was to ask for something absurd or risky so that he would be told no and so he would know where the limits of what he was asking for really lay. One day at an airport, he was missing the week’s refusals; so he approached a man eating a steak and asked if he could eat it.

**“I expected
him to say no;
but to my surprise,
he said yes - that’s
when I realized
that most limits are
set by ourselves - you
have to let the
world set
the limits for you
and still push
a little further.”**

He also used the technique of fear setting, which was taught to him by a Buddhist friend of his. Javier asks himself questions about why he is afraid of certain things until he gets to the root of it. Instead of avoiding it, he faces it, gets to the bottom of it. When he understands why something causes him to fear, a world of possibilities opens up.

Of course, he is also aware that fears are not the same throughout the entrepreneur's journey. When you are starting out you have nothing to lose, but as the business scales, what you have to lose increases and that can lead you to want to take fewer risks. Freediving has helped him understand that the worst can always manifest itself and you have to be at peace with that; if he were to fail, which is a possibility, he knows he's going to be fine. He will wake up the next day and find something else to do.

Focusing on the possibility of failure is not productive, he says. For him, it's better to be focused on how we can grow and how we overcome risks rather than spending too much energy worrying.

In terms of education, Javier does not believe that it is absolutely necessary to enter a great university to achieve success as an entrepreneur. What he does consider important is to have suffered or gone through difficult times and the sources of inspiration: the content that someone consumes and the people with whom they surround themselves. Being around people who inspire him was one of the reasons why he went to the United States and why, years later, he joined Endeavor.

He believes that the entrepreneur should not be presented as an invincible person, because the truth is that 99% of the time he or she goes through complicated moments.

We must stop glorifying them and teach that these difficult stages are a natural part of the road, but they aren't a reason to stop fighting and dreaming.

Javier also distinguishes between two ways of understanding happiness: ***happiness from life and happiness in life.***

The first is found through achievements, reaching goals, and satisfying ambition. The second is found in meeting new people, saying hello, being kind, laughing, and enjoying small moments. Javier believes the latter is the only sustainable form of happiness, because it doesn't last just ten seconds.



For Javier, out-of-the-box entrepreneurs are comfortable with being crazy, resilient and allow themselves to obsess over the problem they are trying to solve. These three ingredients are vital to their success in business and in life.

TAKEAWAYS

- ✓ **Dare to dream big.** In entrepreneurship and in life, setting lofty goals allows us to work harder and achieve things that may seem impossible to others.
- ✓ **Choose carefully which desires to pursue.** Not all of them are worth losing your peace over.
- ✓ **Recognize what you don't know** and figure it out.
- ✓ Life, entrepreneurship, family and money are different games. **Recognize that it is a game** and decide how you want to play it.
- ✓ The most expensive coin is not time, but experience. **Experience comes with time or listening to other people** and discerning what is worthwhile.
- ✓ Great sufferings are invaluable opportunities to build character and resilience, especially when you are an entrepreneur. **Be grateful for the pain, it will make you stronger.**
- ✓ **Surround yourself with people who will pull you up.**
- ✓ It's not enough for people to like your product, **they have to love it** for you to succeed in your venture.
- ✓ Your value as a person goes beyond what you do or what you're capable of doing. **You are valuable simply because you exist;** operate from that truth, and you'll have greater resilience.
- ✓ Companies don't die because they run out of money. They die because their team and leaders run out of energy to move them forward. **Manage energy, but also don't run out of money.**
- ✓ **High-growth, high-reward projects usually come with high risk.** If you want to venture into something risky, it's best to do it in a sector, area, or problem that you could happily spend decades working on...
- ✓ The worst can always happen and you must be at peace with that. Even if you do fail, tomorrow is another day. **Focusing on the possibility of failure is not productive.**



JULIÁN MELO

The entrepreneur who is an educator

Sailing through the storms

Following a challenging beginning, things were finally looking up. Ubits, the online training startup for businesses co-founded by Julian and his partner Marta, was enjoying great success with a bright future ahead.

They had expanded into two countries and experienced rapid monthly growth; their strategies were well-received.

Furthermore, they were on the verge of securing one of their most crucial funding rounds, with even Stanford Business School expressing interest in investing in the company.

Julian was in San Francisco wrapping up the final details of the deal. He engaged with different venture capital partners, having passed all the necessary assessments, the final step was waiting for the contract to be ready to sign and secure the funding to help his company grow further.

But a looming crisis was about to hit Julian and the entire world. It was an extremely contagious virus. It was March 2020, and the global pandemic was on the verge of starting.

Before signing the funding contract, Julian left his rental house in San Francisco to get coffee at his usual spot. Surprisingly it was closed; he had never seen it shut before. Annoyed, he scratched his head and noticed a small sign on the door. It explained that due to COVID-19, they needed to protect their staff and were unsure when they would reopen.

He kept walking around San Francisco and noticed many other places that were also closed. Everything had shifted dramatically from one day to the next. Once he got home, he received a call from Ubits' HR department:

“I think we should send everyone home. The virus is reaching Latin America, and we’re uncertain about its severity.”

Feeling concerned, Julian gave his approval. When he had a chance, he flew back home to Mexico to be near his family. His phone rang, his heart raced; deep down, he knew it was bad news, and he wasn't wrong. The call was from the venture capital fund:

“Julian, Ubits was supposed to be the first company we invested in in Latin America, but because of the new outbreak, it’s too risky...” He stayed silent so the person on the other side of the line continued, **“We can’t proceed with the investment.”**

The following months were extremely difficult. The entire world seemed to stop. Ubits experienced zero sales for three consecutive months. Julian and Marta realized they only had enough money to cover business expenses for the next couple of months.

A guide on how startups should navigate the crisis had been released. The primary advice was to lay off everyone except the engineers; they needed to let go of marketing, sales, and many other employees to reduce the company’s operating costs.

At that moment, Ubits had 30 employees, and everyone was important to Julian. They felt like family and were a high-performing team. Even though he understood why the guide recommended letting them go, he refused. “We are not going to lay off anyone,” he and Marta decided, unlike many other worldwide companies.

They changed their approach, dared to think differently, and navigated through the storm without leaving any of their team members behind.

Everyone had to accept a salary reduction of more than 30%, and soon they determined the tasks for each team: finance would cut all expenses and renegotiate with suppliers. The team responsible for educational content would dispatch kits to teachers’ homes so they could record courses from there, avoiding the risk of getting sick by going to the studio. Finally, Leo, the sales manager, proposed something that would alter the course of events:

They would offer a complimentary license of their services to all potential clients and those interested in joining Ubits. It was a bold move, but due to the pandemic, it was preferable to give things away for free rather than to sell nothing at all. Fortunately, the decision proved to be highly successful.

A media outlet found out about their initiatives and ran a story, emphasizing Ubits’ commitment to individuals and businesses worldwide. This set off a chain reaction in the media, with other outlets echoing the news.

Before long, they were inundated with over five thousand requests.

Over the next three months, they worked tirelessly to provide complimentary licenses to all incoming companies until their saved funds ran out. This prompted a shift in strategy: they would begin charging for the service.

What would happen next?
They witnessed unprecedented sales; they generated more revenue than ever.

Following this achievement, they prepared to send progress reports to all potential investors. Soon after, the venture capital fund that had terminated their contract at the pandemic's onset approached them. They were eager to invest immediately in Ubits, impressed by their crisis response. Ubits managed to overcome the challenges, and by the end of the year, they had expanded three times from their initial size.

At this date, Ubits has established itself as a leading technology platform for corporate learning worldwide. It offers a vast selection of over 10,000 online courses to numerous top companies throughout Latin America.

Ubits focuses on helping businesses enhance their teams' skills in leadership, business practices, technology, and English language proficiency. Although their roots trace back to Colombia, they now serve clients in over ten countries, including Mexico, Peru, Chile, Spain, and various Central American nations.

Ubits' mission is to support individuals and businesses in their growth endeavors. They achieve this through a platform powered by artificial intelligence, which tailors personalized training plans for each employee to enhance their skills to the fullest. The content varies and adjusts to individual needs and learning preferences, from podcasts and masterclasses to books and programs accredited by top-tier business schools worldwide. Ubits creates content in its Latin American studios but also integrates exclusive material from prestigious partners such as Harvard University, leading technology firms like Google and Microsoft, and content organizations like TED Talks. This platform has attracted investments from different venture capital firms, including Y Combinator, a prominent startup accelerator. Additionally, Ubits made history as the first Latin American company to secure funding from the Stanford Graduate School of Business and Owl Ventures, the world's largest private education fund.

Julian and Marta chose a leadership approach centered around valuing people, empathy, and resourcefulness. This approach

helped them navigate through the crisis and expand their company. They remained committed to their principles, trusted their team, executed plans effectively, and embraced innovative thinking.

They steered the ship skillfully through the storm, emerging stronger on the other side.

A student who assists others in learning

Julian sees himself as a learner who takes pleasure in guiding others on their learning journeys. Ever since he entered the educational field, he has realized that continuous learning is the key to personal growth.

He strives to embed this philosophy of learning within his company.

To Julian, Ubits is a platform that facilitates growth for its team members and users. He finds it truly rewarding when individuals who started as interns advance within the company, evolving into their best selves and eventually taking on important roles within the organization.

However, he didn't always have a clear idea of what he wanted to do. As a child living in Bogotá, Colombia, Julian had no clue about his future career. His parents gave him plenty of freedom, never imposing any expectations and allowing him to follow his own path.

Julian believes this freedom helped him develop a strong sense of responsibility from a young age. He also loved sports, which led him to become the captain of his school's soccer team. This experience eventually allowed him to play in the youth divisions of one of Colombia's top clubs, this phase of his life taught him many valuable lessons, enhancing his leadership skills and discipline, and showing him that losing is a part of life.

“You learn more from losing than from winning,” he acknowledges.

Understanding this early on helped him build resilience as an entrepreneur: “The life of an entrepreneur is full of daily ups and downs. You might start the day with an incredible morning, but by the afternoon, everything can become the worst experience you've ever had. Learning that losing is okay was very beneficial to me; there are days when you lose, but you can always win again tomorrow.” Julian explains

that when things go well for an entrepreneur, it's often unclear why—sometimes it's due to the market, other times it's because there's little competition. When things go wrong, entrepreneurs must push themselves, learn, and do everything possible to turn things around.

Naturally, his parents had a big impact on him. His mother spent most of her life as a prosecutor, and his father practiced law. This upbringing instilled strong values in their household: the importance of hard work, valuing effort and always doing the right thing while adhering to the rules.

His father played a significant role in his life. With many decades spent working in his law firm, Julian's father showed him what challenges entrepreneurs might encounter daily.

From him, he learned that starting your own business is always more difficult than working for someone else, but in the long term, it can be much more rewarding.

Julian was raised in a household where both parents worked and contributed equally. For him, women always had the same rights and responsibilities as men. Experiencing gender equality from an early age

enabled him to establish a company where men and women are treated respectfully and equally regarding salary and decision-making.

Julian's school specialized in the study of quantitative sciences. Most graduates pursued degrees in engineering, economics, business administration, or other math-related fields. Julian was unsure of what to choose, but with his strong affinity for numbers, he sought a path that included his passion for painting. He loved performing this art so much, to the point that many of the artworks in his house today are his creations.

Thinking along these lines, he believed Mechanical Engineering would be the best choice. He envisioned himself designing complex mechanisms, engines, or rockets... However, two weeks into the program, he realized it wasn't quite his liking.

The realization came during a class where the professor spent two hours discussing a particular complex engine: Julian couldn't see himself spending his life focused on engines. He had always enjoyed interacting with people and being in social environments, and he felt that engineering wouldn't provide that.

Though he now admits he might have acted hastily, Julian approached the department head as soon as he felt uneasy.

"I want to switch majors," Julian said, explaining his situation.

**Entrepreneurs
take these kinds of
risks all the time.**

He ultimately
decided to
pursue Industrial
Engineering and
doesn't regret
his choice.

"Alright, and what major are you considering?"

"I have no clue; you could suggest something. You're the expert."

The director proposed Industrial Engineering, a field with broader implications tied to business. Julian found the suggestion appealing.

"But tell me, what semester are you in?" the director inquired.

"Just starting my second week."

"Second week? You mean second semester."

"No, it's my second week. Literally."

**"And with such little
information, you want
to decide now?
You haven't
even completed
your initial
courses."**

Julian was sure he wanted to change his major. He sees this gut feeling as part of who he is and as a quality shared by entrepreneurs: sometimes, you ought to make life-altering decisions with very little information.

Yet, the conflict emerged upon his university graduation in 2010. At that time, while all his friends were set on pursuing careers in major corporations like Coca-Cola or McKinsey, Julian held a belief that he wouldn't be good as an employee. The idea of working in large corporate settings, striving for upward mobility on the corporate ladder, didn't resonate with him... it was a path he was averse to taking. He pictured himself involved in something he had created himself, but he hadn't yet grasped that the solution was within reach.

Throughout his university, he took roles such as teaching assistant for various courses. During these crucial moments, he found fulfillment in helping individuals navigate their uncertainties, grading assessments, and facilitating educational activities. It was then that he acknowledged his aspiration to become a teacher.

Right after graduating, he returned to his old school and requested a meeting with the principal to apply for a teaching position. His father couldn't understand why he wanted to make such a big change in his life.

“Why become a teacher?” he questioned.

In Colombia and throughout Latin America, being a teacher is not typically seen as an ideal career path, but Julian had a strong desire to pursue it. Although he saw himself becoming an entrepreneur in the future, he wanted to spend some time experiencing teaching firsthand.

The only available position left at his school was teaching ninth-grade algebra. Julian found himself competing against many other experienced teachers for the role despite having no prior experience himself. To add to the challenge, he had even failed algebra during his schooling.

Nevertheless, the principal chose him. Julian believes it was because of his enthusiasm to be there and his energy. Nowadays, when recruiting for Ubids, Julian looks beyond just numbers and resumes to connect with applicants and understand their potential, much like the school principal did when giving him the chance to teach. According to Julian, a person's talent can't simply be measured by their past experiences, degrees, or skills. Instead, it's about assessing their potential—where they could go with the right support and how fast they can learn. This is the focus of Julian and the leaders at Ubids when they bring in new talent.

The first two months as a teacher were some of the hardest of his life because he admits he wasn't good at it. Julian had thought that teaching was just about understanding the material, organizing lessons, and preparing the exams and that this would be enough to make him a good educator.

“But that's not the case at all. A good teacher needs to create a meaningful learning experience,”
Julian says.

He taught students between 15 and 16 years, a particularly challenging age group. Julian felt ignored, believed no one was studying, and thought he had lost control of the classroom. However, this difficult experience taught him many essential lessons about education.

“To maintain control, you need to create an engaging learning experience, and what you teach has to be meaningful to the students,”
Julian realized.

The students he taught were not elementary kids learning because they had to; they were on the verge of adulthood, questioning everything and wondering why they needed to learn algebra, philosophy, or the quadratic formula. “Adults learn because they want to or need to for personal growth,” Julian understood. He later applied these insights at Ubits, designing enriching

experiences and providing content that was relevant to people.

Thanks to this discovery, he made the remaining months at the school less challenging. He taught for a year, but eventually, it was time to explore new opportunities. He couldn’t have known it then, but his journey would still be closely tied to education.

Education as an opportunity and the birth of Ubits

After finishing his time as a teacher, Julian was awarded a scholarship to pursue a master’s degree in Industrial Engineering. With a two-year commitment to researching for his thesis, he delved into a topic he was enthusiastic about exploring: how organizations acquire knowledge. Specifically, he focused on understanding knowledge management within corporate environments.

“I delved into how individuals learn within a company setting. I explored how, through interaction and knowledge sharing, they enhance their performance in their roles,”

Julian explained in an interview with *Líderes Mexicanos*.

His journey involved collaborating with various companies and organizations and analyzing their behaviors. One of the most compelling projects he undertook during his master’s program involved developing a platform that seamlessly integrated the knowledge and learning experiences of students from both private and public schools.

He observed that people attending private schools had more opportunities, better quality of life, and greater access to resources to afford university education. On the other hand, those attending public schools faced the reality of encountering more difficulties in applying to public universities due to the poor quality of education they received, and few had access to private education due to being unable to cover the expenses. He realized the immense inequality and

how attending one type of school or another could determine the opportunities one would have in the future.

By then, Julian understood that access to quality education could be life-changing. Students in private schools had better prospects, career advancements, and improved living standards, while public school students often faced limited opportunities and lower-paying jobs. With this in mind, he developed a platform that consolidated educational content and exams to equalize educational quality. His goal was to enable students from public schools to apply to university and succeed in the entrance exams if they desired.

All that journey taught Julian about how people learn and about learning technologies, but he was also doing other things in parallel. He was naturally restless and eager to start his ventures, so he started many different businesses, from an online healthy food restaurant to a functional training gym. The truth is that he failed and lost a lot of money that he and his friends had invested.

“I lost what it would have cost me to pay for an MBA,”
Julian recalls.

These initial ventures allowed him to comprehend how businesses are structured and managed, so he recognizes that it wasn't all loss.

Furthermore, they contributed to his success with his subsequent project, a consulting firm he established with his friends.

The problem was that he soon realized he wanted to do more, to expand his business and also the impact it brought to his clients. Julian couldn't envision spending his entire life creating spreadsheets or PowerPoint presentations; he desired to find a more practical and efficient way.

That's when he grasped that perhaps he could achieve it through technology, developing an online training and teaching method for companies.

Around this time, Julian had the good fortune of meeting Marta, who would become his partner and successful companion in the years to come. They met through mutual friends in a library, and quickly connected, realizing they were compatible in their vision for the future and in their values.

As a fellow Colombian, Marta had always dreamed of having her own business; as a child, she had started selling cookies and gum to her neighbors in Bucaramanga, Colombia, the city where she was born. After graduating in industrial design, Marta would eventually become the CPO (Chief Product Officer) of Ubits, responsible for

managing everything related to the products and services they offer to the world...

But they still had a long way to go. Together, they began to think about how they could create something that would scale in the education sector. They soon realized that rather than focusing on schools and universities, there was a great opportunity in the corporate sector. They knew that many people truly began to learn after graduating from college.

“That’s when the learning and development of people begins,” explains Julian.

They continued researching the market and discovered that many companies in Colombia lacked good technology and training programs to educate their staff; furthermore, they were spending a significant portion of their resources on in-person training sessions that had no impact.

“After seeing this, that’s when we started building what is now Ubits,” he recalls.

In any case, they struggled immensely to acquire their first clients. It wasn’t as if success was handed to them on a silver platter; rather, they had to pave the way themselves.

“Hey, Julian, we’re looking for an expert company in online platforms. We’re planning to launch an online university,” a friend mentioned during a phone call after months of searching for potential service providers. **Julian saw this as their chance.**

“I have a company, and we specialize precisely in that!”

They had never developed a platform like that before, so Julian admits they weren’t experts. Nonetheless, they continued and pitched their proposal, everything seemed poised for takeoff... but the prospective client didn’t have the funds to pay them.

“Would you be open to assisting us for free for a while?”

Though challenging, Julian and Marta agreed, seeing it as an opportunity to test their product, gain clients, learn, and stay productive. They worked pro bono for six months without any income.

Along the journey, they encountered challenges where the company desired features they didn't know how to develop, but they always found a solution eventually. This was a weekly thing; they received constant feedback, pushed themselves, and gradually, Julian and Marta gained expertise.

“It helped us realize that the product is crafted in collaboration with the customers, tailored to their needs,”
Julian explains.

Gradually, they saw the light outside the tunnel and began to expand. They landed contracts with one bank, then another, and more clients sought their services. As demand grew, they expanded their team to accommodate, leading to a pivotal moment for Ubits:

Should they limit their services to Colombian companies or pursue something scalable across the region and potentially worldwide?

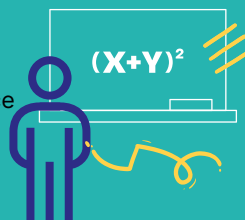
The two young entrepreneurs were certain of their objectives. They aimed to impact millions of individuals; their vision was to create the Netflix of corporate training. However, they faced a challenge: they needed to generate numerous courses and expand to other countries, yet they lacked the necessary funds. They needed to secure capital urgently.

In 2018, only two funds in Colombia were capable of making investments of that size, and both chose not to invest in Ubits. A mentor advised them to explore Mexico, so they swiftly traveled there. Unfortunately, their discussions with investors in Mexico didn't progress beyond the initial meeting. Although they could have been disheartened, they didn't give up; instead, they turned their attention to Silicon Valley, their final hope.

Julián Melo



Works as an algebra teacher, where he discovers the importance of providing meaningful learning experiences.



2011

2014

Alongside his partner Marta, founds **UBITS**, an online corporate education platform. They face many initial challenges before gaining traction.

2010

Starts studying Mechanical Engineering but quickly switches to Industrial Engineering after realizing the former wasn't the right fit.



During the COVID-19 crisis, with zero sales, they weather the storm by offering free licenses, leading to record-breaking growth.



2020

2020-2023

UBITS becomes one of the most important corporate learning platforms in Latin America, expanding to markets like Mexico, Peru, Chile, and Spain.



Ubits: a dream come true

Julian and Marta hadn't previously traveled to California, so they lacked connections in Silicon Valley. Nevertheless, they decided to reach out to individuals in the industry. Two days before their trip, they browsed through LinkedIn because they were trying to contact and connect with professionals from Latin America employed at technology or education firms such as Coursera or Udemy. Luckily, their outreach was met with positivity.

Among the connections they sought, someone suggested they apply to Y Combinator, a renowned startup accelerator.

“Let’s give it a shot,”
they reasoned.
“What’s the worst that could happen? I don’t think we have anything to lose.”

Both analyzed the metrics, customer experiences, and potential they could harness. Yet, they felt daunted when told they needed to craft a one-minute video explaining why they aspired to join Y Combinator.

Watching inspiring videos of successful candidates left Julian and Marta feeling inadequate, thinking,

“We don’t measure up to these people.” They experienced a sense of insufficiency... but that didn’t deter them.

They created the video, passed all the screening stages, and secured the pivotal interview. Belonging to the 1% granted this opportunity, they prepared diligently to make the most of it. They’d heard the final interview was rigorous, requiring responses in less than 8 seconds per question, so they practiced incessantly for days...

Until the moment arrived, he recalls that the process was tough, but they managed to emerge alive from the interview. In those tense moments after meeting with the investors, both had to wait for Y Combinator to contact them: if they managed to get in, they would receive a call; otherwise, they would be informed via email.

Afterward, the two embarked on their way to the hotel to rest. They were on the bus, nervous... and then an email arrived on Marta’s phone.

“We’ve got an email,” she said, disheartened.

Silence became present. Both assumed it would be the rejection email.

"Well, that's that. We tried," said Julian.

So, they sat on the bus for five minutes, crestfallen, in complete silence.

"But open the email. Let's at least see what it says."

**She opened it...
and her eyes lit up.
It was a message
from Y Combinator
asking them to
get in touch.**

They had been trying to call them, but Julian and Marta's phone numbers didn't work in the United States. They were so excited upon reading the message that they pulled the bus cord, rushed to the first restaurant they saw, and asked the waitress to borrow her phone.

"Lend me your cell phone!"

"We need to make a call!"

"It's the call of our lives!"

The waitress was startled, and it dawned on them that their behavior was rather crazy. After regaining their composure, they ordered water and requested a table, then explained their situation to the restaurant staff, who eventually agreed to lend them a phone. There they were, receiving one of the most significant news in their entire lives: they had been accepted into the Y Combinator program.

Overwhelmed with joy, they couldn't help but shed tears of happiness.

Being admitted to Y Combinator was a game-changer for them. Through the program, they secured their initial round of funding, forged meaningful connections, and brought their vision for Ubits to life.

Upon returning to Colombia, they began building their team, hiring engineers, salespeople, and content creators, and securing a workspace. They also recognized the importance of expanding beyond Colombia; thus, they set their sights on Mexico, the largest Spanish-speaking market.

Julian decided to move to Mexico to expand his business, but it didn't go as planned. He then realized that entrepreneurs often need to experience the reality of the markets they face in order to make decisions more quickly. If he hadn't moved to Mexico, it probably wouldn't be their most important market today.

Initially, they didn't make any sales in Mexico. Julian had assembled a sales team, and they went door-to-door to visit clients, but they were struggling. Whenever he returned to Colombia, where the business was successful, he doubted himself.

**"They're going
to think I'm very bad
at this," he said to
himself. "We're
not selling anything;
we're losing money."**

He worried that people would think poorly of him and the business. The lack of sales caused him a lot of distress, and he cried for several consecutive months.

However, everything took a turn when one of the sales representatives suggested adjusting the prices of their services.

“We’re charging too little, which gives the impression that our product is not good, affecting the sales,” he explained to Julian.

“How much of an increase are we talking about?”

“At least triple the current price.”

This approach proved effective, and in the months that followed, they successfully secured contracts with several major companies in Mexico, establishing it as their primary market. Consequently, alongside tailoring prices to different regions, they also implemented new strategies to customize the product and expand into various countries. They began creating content produced by Mexicans, recognizing that solely featuring content from Colombians didn’t resonate with Mexican audiences. Expanding into Central America, Peru, Chile, Argentina, and Spain required similar adaptation processes to cater to the needs of each market.

After nearly ten years of embarking on the Ubits journey alongside Marta, the company experiences an

exponential growth of about thirteen times per year. Julian recognizes the importance of being ready for his role as CEO but acknowledges struggling with imposter syndrome.

To fight this, Julian actively pursues personal growth to keep up with the company’s rapid expansion. He engages in training, seeks guidance from coaches, attends courses, reads extensively, and networks with those who have achieved the success he aspires to. Participating in programs where fellow business leaders gather has proven beneficial, and he values entrepreneurial communities like Endeavor.

Additionally, something else that has helped him excel in his work is taking care of his body.

“You need to perform at the level of a high-performance athlete. You have to eat well, exercise, and sleep properly,” he asserts.

Julian has several wellness routines that help him maintain balance. He starts his day at 6 a.m. by taking his dog for a walk, he also engages in squash playing and runs three times a week. Diving is one of his favorite activities to do with his wife; he sees it as a way to completely disconnect from the daily pressures and stresses and reconnect with nature. He ensures he gets at least 8 hours of sleep, recently discovered the Wim Hof method, and immerses



Julian advises aspiring entrepreneurs to dream big and look beyond their current circumstances but to remain grounded and recognize the need for sacrifices to achieve growth.

himself in ice. Once a month, he takes a morning or afternoon off to disconnect and engage in what he calls a “clarity break” – a time for reflection where he addresses key questions to gauge his focus and ensure he’s investing energy into what truly matters. He believes that finding a good co-founder is one of the toughest aspects of entrepreneurship. With Marta, he always had good chemistry; things were clear from the beginning, and respect was never lost. For him, the keys to an excellent relationship with your partner are having compatible values and effective communication, even more so than possessing complementary skills.

He stresses the importance of maintaining focus, especially during times of success, to avoid unnecessary distractions. Julian recalls a valuable lesson from Jack Ma, founder of Alibaba, who emphasized the importance of focusing on one goal at a time rather than chasing multiple objectives simultaneously: “If there are nine rabbits on the ground and you want to catch one, focus only on one.” Trying to catch many rabbits results in catching none.”

According to Julian, the key traits of an Outlier include the ability to accomplish significant things with limited resources and to create remarkable achievements with what you have at hand.

TAKEAWAYS

- ✓ **Daring to think differently during tough times** carries risks, yet it **could hold the key** to navigating challenges successfully. At Ubits, they prioritized their staff well-being while other companies were downsizing, even offering their services for free despite no sales, which eventually led to record-breaking sales within months.
- ✓ Understanding the value of the lessons that come with setbacks helps entrepreneurs build resilience. **Each defeat offers valuable insights.**
- ✓ **Managed properly, freedom** can empower young individuals to cultivate **responsibility** and **independence**.
- ✓ Entrepreneurs often make critical decisions with limited information. **Trusting one's instincts**, fostering **resilience**, and **promptly addressing mistakes** are crucial.
- ✓ **Products should be built with customers in mind.** The more you communicate with your customers, the better your product will be.
- ✓ **Adapting products to fit** diverse markets is essential for success.
- ✓ No one is fully prepared for every new endeavor. **Overcoming impostor syndrome is key.**
- ✓ Entrepreneurs must **evolve alongside** their **businesses** to remain relevant and **effective contributors**.
- ✓ Embracing **big ideas**, acknowledging **necessary sacrifices**, and **maintaining focus** becomes vital for entrepreneurs to stay on track amid challenges.
- ✓ **Genuine Outliers**, in Julian's view, excel by **achieving remarkable feats with minimal resources** and executing plans with exceptional speed.



MANUELA SÁNCHEZ

Finding something you are
passionate about to start a business

Living for the weekend

Every Sunday weighed heavily on Manuela as she anticipated returning to work the next day engaging tasks that no longer brought her joy. Despite holding a prestigious position at one of the world's leading technology companies, and enjoying financial stability as growth in her career, Manuela experienced a familiar emotion shared by countless entrepreneurs throughout history: she felt unsatisfied.

Manuela had a very comfortable life, but she needed a change.

"It's not possible that I'm just living and waiting for the weekend to arrive so I can rest," said today's co-founder of Laika, a revolutionary company that, through technology, has managed to cover a wide range of pet products and services.

Manuela wished to enjoy the freedom of managing her own time, she wanted to do things like taking her daughter to the doctor when necessary or maybe taking a day off, but it was practically impossible in her job. Her lack of motivation was so big that she quit and tried her luck in the startup industry. It was 2017 when Manuela started working at Rappi, the delivery startup that became the first Colombian unicorn a year later. Although she continued to experience the same feelings as

before, her time at this company taught her important lessons: She understood that there were not only technology but also ordinary people behind the great apps making things happen.

It wasn't all about codes and algorithms but also about hearts beating at the same rhythm, focused on fulfilling their mission.

The experience she gained there inspired and filled her with a different mindset, with the philosophy of "I can achieve it" regardless of the difficulties or challenges. Although her time at Rappi was six brief months, this job acted as a catalyst for what would become a new and completely different stage of her life.

She will no longer allow her days to slip away, stuck in the cycle of waiting for weekends and dreading Mondays. Manuela was determined to change her circumstances. Though uncertain about her path, her entrepreneurial spirit had been awakened, eventually leading her to one of her passions: pets. Taking a leap of faith, she transformed her life and now thrives in an industry she's passionate about, propelling Laika to international success beyond Colombia. With over 300 employees and backing from the prestigious Y Combinator accelerator, the company is soaring.

She is a remarkable individual with a diverse set of interests and talents. Aside from her love for pets, she is passionate about languages and has fluency in English, Spanish, French, and Italian. Since she has lived in four countries, she holds a deep appreciation for exploring different cultures. Her day starts early at 6:30 a.m. with a workout, setting the tone for the rest of her day. Despite her busy schedule, Manuela always ensures that she picks up her daughter from kindergarten every day. Meticulously organized, Manuela relies on her phone for the thousands of reminders she sets, ensuring she doesn't miss anything important. She even sleeps with

earplugs to block out distractions, especially pesky mosquitoes. In addition to her culinary skills in dessert-making, Manuela also has an eye for interior design.

Camilo Sánchez is her business partner and brother, leading Laika as its CEO and standing as one of the company's four founders. Together, they have navigated the challenging path of entrepreneurship, deepened their connection, and proved to themselves that it's possible to enjoy an exciting life without waiting for the weekend to come. Reflecting on her journey, Manuela appreciates her courage in taking that important leap of faith that transformed everything.

A family of entrepreneurs

Manuela was born into a family that offered her excellent opportunities, but she recalls that there was never more than enough money, learning from a young age to appreciate and value the effort people put in, understanding that success and possessions weren't just handed to them.

Besides, she grew up witnessing the importance of hard work and entrepreneurship since many of her family had ventured into business at some point.

Her parents, in particular, had been entrepreneurs since they were 18, opening over 30 diverse jobs, ranging from flower and furniture sales to jam-making. Both her maternal and paternal uncles had also embraced entrepreneurship. It seemed inevitable that Manuela, alongside her brother, would follow this "family tradition".

As a child, Manuela dreamed of becoming a doctor, fascinated by the field of medicine. However, she hesitated when the time came to choose her career path, realizing the extensive years of study required.

Manuela decided to go for Business Administration because she believed the skills she would gain could be applied to any future endeavors she pursued.

“Whether I decide to launch a design brand or open a clinic someday, the administration principles will be invaluable,” she reasoned.

Following her studies in Colombia, Manuela dedicated a year to obtaining a master's degree in International Business in Italy, where she acquired significant insights that would benefit her future.

Manuela returned to her country and landed positions at prestigious, well-established companies, initially with IBM and then Oracle. Reflecting on her journey, she recognizes the invaluable benefits that both firms gave her for her eventual entrepreneurial role. She understands the significance of experiencing hierarchical structures, navigating crises, overseeing personnel, and collaborating with individuals holding diverse perspectives.

She had many experiences that helped her understand the interconnected nature of businesses, where seamless

coordination among departments is crucial. Today, she continues to connect parallels between her daily encounters and the insights gained from her time at Oracle and IBM. Mastering challenging situations and appreciating different viewpoints has undoubtedly honed her leadership skills.

“As the boss, I could easily dictate, ‘This is the way it’s done, end of the story.’ However, by doing so, I’d miss out on valuable discussions that might prove me wrong,” she admits. For Manuela, starting a business doesn’t mean you have all the industry expertise, it’s okay if you don’t have all the knowledge or the know-how, but you can hire experts who do. When she finally decided it was time for a change, she left her job at Rappi, after her roles at IBM and Oracle. After that, the man who would become her husband encouraged her to pursue her venture:

“If you’re not happy, quit and focus on something you’re passionate about,” he urged.

“But don’t rush into finding another job, okay? I know you, and you’ll have a new one in 15 days. Take the time to figure out what you want, and I’ll support you.” Her husband’s support was crucial; he provided emotional and financial backing during the challenging period when the social pressure of unemployment could weigh heavily on entrepreneurs.

However, Manuela didn't have a meticulously outlined plan. Instead, she had several scattered ideas, like renting dresses, clothes, or furniture; making and selling green juices, or manufacturing and selling pajamas.

Manuela had always been a pet lover. Meanwhile, she was exploring her path, she owned two dogs and a cat. One thing she realized was the absence of a single platform offering comprehensive solutions to pets' needs, or at least not with a wide range of options at affordable prices. For instance, if her cat became ill, she had to visit a veterinarian, followed by another place for medicine, and finally, a third location for food.

This presented a significant challenge, but she hadn't yet found a clear solution.

It was over a family lunch that the wheels started turning. Manuela, her husband, and her brother Camilo were gathered when she revealed her entrepreneurial aspirations. Surprisingly, at least to her, Camilo expressed the same enthusiasm.

"I'm in," he told her.

Camilo had a degree in Law, but his entrepreneurial spirit had been alive and kicking all along. At that time, he ran a store of mattresses and pillows imported from Denmark. However, it wasn't a venture that truly lighted up his passion, nor significant growth prospects or generate substantial profits. Camilo was eager to delve into a business aligned more closely with his love for technology.

Then, both of them started researching the market and eventually concluded that, among all the ideas they shared, the most appealing one was the pet industry; after all, it was a market growing very quickly and no longer functioned the same as it did 30 years ago. Manuela explains that in Colombia, the pet market is larger than the baby's market, as a can of tuna practically costs the same as a packet of cat food.

"We are humanizing pets more and more. They're no longer just pets; they're the children who sleep with us in bed. We spend more money on the dog than on our food,"
explains
Manuela.

The beginning of Laika

Right from the beginning, Manuela and Camilo used their savings evenly to launch Laika. The remaining co-founders, Tulio Jiménez and Andrea González, came aboard a year and a half later because they had other financial obligations and couldn't fully devote themselves to the project at that moment.

Selecting the name was a top priority for Manuela. She firmly believed that every aspect of branding could sway customers' decisions on where to shop. With this in mind, she brainstormed several names for the company and even organized a vote. They aimed to find a name for their brand that was universally understood across languages and conveyed a compelling narrative, unlike the generic names often found in pet stores.

“We need a name that’s simple to say, one that feels relatable,”
Manuela said.

Laika was the perfect name. It was the name of the dog sent by the Soviet Union into space during the 1960s, becoming the first living being from Earth to orbit our planet... and tragically, the first animal to perish in orbit. Manuela envisioned rewriting this narrative positively, portraying Laika as a heroic figure who ascended to become a celestial guardian, a star, watching over all

furry companions from above. It would be a beautiful tribute to Laika while resonating deeply with animal enthusiasts.

With that brand identity established, they started by opening a small warehouse in Bogotá, catering to their circle of friends and acquaintances. Manuela recalls enticing them with discount vouchers to try Laika via Facebook. Once they made purchases, they became an informal focus group, offering valuable feedback on the service and suggesting improvements. Manuela and Camilo handled all aspects of the operation, from sourcing products to packaging orders and personally delivering them in their vehicles. They cultivated partnerships with suppliers and gradually refined their value propositions.

Customers were attracted to Laika for its wide product selection, enticing deals, prompt delivery, and the option for cash-on-delivery payment, **a winning formula, that evolved as they introduced new features to their business model.**

At Laika, their main goal was to serve all segments of the population, especially those in the middle and lower economic brackets. They realized that these groups face greater challenges in caring for their pets because many rely on poorly maintained public transportation, especially in several parts of Latin America.

“Typically, people in these economic strata have two options for buying pet food: either endure a two-hour journey on public transport to a pet store, battling traffic and lugging heavy bags of pet food back home, which is incredibly inconvenient; or resort to the local neighborhood store, where they often find only small packages, limited variety, and higher prices,”
Manuela explains.

During this period, their focus shifted towards taking care of the needs of the middle and lower-income sectors, leading to significant growth in their business. However, right from the start, the siblings knew their savings would only last around five months. Consequently, they prepared themselves to seek investment. Adding to the complexity, during that time in Colombia, there weren't as many startups or venture capital funds available.

With no guidance, Manuela took it upon herself to research the available options across Latin America, from Mexican investment funds to Colombian angel investors. She didn't expect that, driven by their ambition to expand, she and Camilo would find an opportunity to present their ideas to Y Combinator, one of the world's leading startup accelerators.

Manuela and Camilo found themselves in Silicon Valley. “Here we were, just two young siblings with a computer, pitching an idea and securing funding beyond our wildest dreams,” Manuela recalls. They connected well with the investors, conveying their plans and backstory, proving that their product had gained traction in the market, offered value, and held great potential in the pet industry.

They ultimately secured \$5 million in funding. It was a monumental achievement they hadn't even realized they were capable of when they arrived in California. Having crossed that milestone, Manuela admits that at Laika, they never had a plan B. She wasn't the type to say,

“If this doesn't work out, I'll just go back to job hunting.”

Despite being aware of the risks, she was fully committed to their project, never considering alternative options in case things didn't go as planned.

Following the investment from Y Combinator, Laika initiated its expansion journey, extending its services to six additional cities in Colombia.

Gradually, they expanded operations to three cities in Mexico and the capital of Chile. “In each case, one of the partners stays for a period in the new country, hires a national manager and local managers, and we start operating,” Camilo explained in an interview with *Alternativa magazine*.

However, the growth path was anything but smooth. Manuela recognizes that the entrepreneurship journey is exceptionally demanding; many assume that starting a business means working less and experiencing less stress, but the truth is quite different. It often entails working twice as hard, facing greater challenges, and frequently seeing lower income.

“It can be frustrating when things don’t go as planned all at once, such as being unable to fulfill orders, disappointing customers, experiencing software crashes, or facing supplier issues. It’s overwhelming, and you might feel like giving in to tears,” she shares. “But there’s no choice. You ought to confront the challenges head-on, driven by a mixture of stress and adrenaline, because there’s no time to dwell on feeling down,” Manuela confesses.

She also realized that this surge of adrenaline, coupled with the growth of businesses, becomes addictive. She often found wanting to take on more, innovate, and thrive under a bit of pressure because she believed it would help her perform better.

Laika had been running for two months when a crisis happened; Manuela recalls that when an influencer promoted their project, a “happy problem” occurred: they lacked the infrastructure to handle the sudden surge in orders. They were swamped with work and almost let down their customers.

“A friend who is an influencer posted about Laika, and we received 25 orders that day. With only one delivery person and our promise of a 3-hour citywide delivery, we couldn’t meet the demand. So, all the employees had to rush out in their cars, Uber, or taxi to deliver the orders.”

There were also many points where they were close to running out of capital. Manuela acknowledges how difficult it is to have clarity and think about the future without knowing how you're going to obtain the resources to keep functioning. They wanted to be leaders in the pet industry in Latin America, but it seemed like a distant dream when, at times, they had no money in their bank account. Fortunately, they overcame the difficulties and moved forward despite navigating through uncertain waters.

And all of this without overlooking the selfless side. At Laika, they make various social contributions.

Each month, they donate 1% of their sales to different charities and provide support with food for dogs and cats.

They've also been involved in health campaigns and pet adoption drives, demonstrating their love for animals.

Manuela is also mindful that many advise against starting a business with close family or friends. Embarking on this journey with her brother Camilo might have seemed risky, but neither anticipated it going awry. She attributes their success to a stroke of luck and their compatible personalities. At Laika, there was never a serious issue where the four partners went without speaking for more than an hour.

The strong synergy within the group at Laika is because the leaders don't let egos get in the way. None of them seeks to outshine others, and every opinion is valued. Another reason for their success is having Camilo as the final decision-maker when there's uncertainty and everyone respects his choices.

Each of the four has different roles and takes ownership of their respective areas. "If Tulio wants to make an operational decision because he believes it's the best course of action, that's fine. If it doesn't go as planned, we'll try again."

There's effective communication within the group, and they're all open to suggestions, but luck also plays a role.

"It's like the universe conspired in our favor," suggests Manuela, whose husband is also a partner and serves on Laika's board. The unwavering support from all the founders during emotional turmoil has been invaluable. When the company faces crises, and someone feels lost, the others can sense it and offer reassurance that challenges will pass.

For Manuela, the biggest threat to business success is partner conflicts.

Financial shortcomings or imperfect business models are weak, comparing it to partners not moving in sync toward common goals.

Since the launch of Laika, Manuela has taken on most of the company's roles. She's been part of the sales team, cultivated brand partnerships, and managed purchasing and order delivery. She's also delved into growth strategies and marketing initiatives. However, as the company has grown, they've brought in more specialized technical talent. Lately, Manuela has been working on the launch of Laika's first physical store. It marks her initial steps into the offline realm, allowing her to gain experience in retail.

She serves as the CXO, Chief Experience Officer. She assumed this role driven by her inherent dedication to customer service. "I feel a slightly deeper concern than others when we let our customers down," she admits, acknowledging discomfort when encountering complaints on social media. In her position, she dedicates herself to refining the customer experience across all of Laika's products and services.

"It's a role that spans all company areas,"
Manuela affirms.

Her influence extends to how customers are addressed, the application's appearance, advertising methods, and even ensuring delivery personnel fulfill orders on time. "It goes through all areas," she emphasizes.

The CXO position didn't exist at Laika. Like most startups, Laika created departments and positions as needed. For example, they started the human resources department after several years because they needed a central thread to handle all personnel-related matters.

Laika considers its customers as vital.

"If Camilo, Tulio, Andrea, or I leave, Laika will continue. But if our customers leave, Laika will perish," Manuela says, asserting that every complaint counts. Even 0.2% of the customers being unsatisfied can be problematic; that will be the equivalent of 200 clients not buying ever again, spreading negative talk about Laika with their acquaintances, sharing their bad experience on social media, and initiating a chain reaction that continues to grow. That's why she has dedicated herself to enhancing the overall experience and opted for a role that allows her to ensure every aspect of Laika operates optimally.

Manuela Sánchez



After a short stint at Rappi, Manuela resigns due to job dissatisfaction and seeks to build something of her own, taking time to reflect on her future.

2017



START OF HER CAREER IN MAJOR CORPORATIONS (IBM & ORACLE):

She works at multinational tech companies, where she learns about cross-functional collaboration, crisis management, and leading people with diverse perspectives.

2020-2023

Laika **expands** to six cities in Colombia, three in Mexico, and the capital of Chile, backed by investments from firms like Y Combinator.



2018

Alongside her brother Camilo and two other partners, Manuela launches **Laika**, a platform offering products and services for pets, inspired by her love for animals and the lack of a comprehensive market solution.



FOCUS ON CUSTOMER EXPERIENCE:

As CXO, Manuela ensures optimal user experience across the company—from the app to final product delivery.

Manuela's Growth and Laika's Future

Manuela is not immune to the challenges and stress of running a business. Over time, she has learned to have confidence in the company, herself, and their achievements.

“Things will work out well again this time; there’s no reason they won’t,” she tells herself when facing significant challenges.

Manuela sees entrepreneurship as a roller coaster ride, experiencing emotions such as anxiety, fear, stress, happiness, and excitement. Nonetheless, she believes in embracing the journey wholeheartedly.

There have been moments where she’s faced panic attacks, losing sleep at midnight wondering how they’ll secure funds or raise investment rounds. She admits this stress is an unavoidable aspect of the journey.

“It’s about finding a way to appreciate the tough times; otherwise, you risk becoming paralyzed.”

Following the arrival of the pandemic in 2020, Laika and the pet market underwent substantial changes. Not only did the industry witness expansion, but numerous businesses were swiftly digitalized. Initially planning a decade-long transition to digital operations, the team found completing this transformation in a mere year due to unforeseen circumstances. Additionally, heightened demand necessitated the recruitment of more personnel.

In 2022, an important shift unfolded within the startup environment. For over a decade, the prevailing notion was that investors sought to witness startups achieving substantial growth, ideally at double-digit rates. Laika had been meeting this expectation, steadily quadrupling in size over the years. However, that year, they encountered a new directive:

“The focus now is profitability.” It felt like they were suddenly told to change their entire strategy overnight.

There was a lot of panic at that moment, with concerns that investment might dry up, venture capital funds could collapse, and startups might not weather the storm.

Manuela had been hearing whispers of this for months before the crisis hit, so she started advocating for urgent changes among the partners. They had to make tough decisions, including layoffs and budget cuts in critical areas, aiming at trimming expenses to achieve profitability.

Shifting their mindset proved challenging for the founders and the entire team at Laika. Instead of pursuing a large customer base, they now had to target only the most ideal customers. Manuela and her partners had to introduce a new narrative to the Laika team to align with the changing landscape, progressively refining the company's metrics to meet the expectations of today's investors.

Manuela anticipates a significant milestone: making the company profitable over the next five years. Looking further ahead, she's open to merging or selling Laika to an interested buyer.

Although parting ways with a project she's invested so much in would be bittersweet. **"It's akin to nurturing a child and then bidding farewell abruptly,"** she reflects.

As for her future beyond Laika, while she doesn't envision herself working there until she's 80, she hasn't quite figured out her next steps. In the future, Manuela sees herself pouring her passion for pets through the company.

Considering that none of Laika's founders graduated from renowned universities in the United States, Manuela believes that attending Stanford or Harvard is not an absolute necessity for success or the advancement of a company.

In fact, as an executive at Laika, Manuela has even hired individuals from these top-tier educational institutions whom she never imagined she would be able to bring onto the team.

"However, this doesn't necessarily mean it's going to work out," she says.

Sometimes, she explains, these high-profile collaborators are used to multinational corporations where everything runs smoothly.

“But they’re not used to making things happen, to the chaos that exists in startups. They arrive and say, ‘I thought this place worked better,’ but the truth is, it doesn’t. It’s up to them to make things work better,” she acknowledges.

In this regard, Manuela prefers individuals at Laika who are proactive and capable of getting things done over those with impressive credentials.

“Sometimes, they might have the degrees but lack the proactive attitude and entrepreneurial spirit. They’re not used to diving beyond what they can see, getting into the warehouse, and figuring out what needs to be addressed.”

For Manuela, dissatisfaction with the norm and traditional constraints sets an average entrepreneur apart from an outlier. Just as she experienced before starting her venture, outliers possess a strong desire for freedom, continuously challenging themselves to reshape their lives and explore new paths for growth. Additionally, Manuela believes that outliers exhibit leadership and creativity boldly, unfazed by potential risks and the opinions of others.

Starting her entrepreneurial journey in Colombia proved to be a rewarding experience. She believes Colombia’s position as one of Latin America’s most entrepreneurial nations is fueled by poverty and everyday challenges, which compel individuals to seek innovative solutions to support their families. This resilience is a key driver behind the abundance of startups in the country.

Manuela’s advice for entrepreneurs just starting their journey would be to prioritize finding the most suitable partners. It’s essential that each person’s abilities complement one another and that they share a common vision for the company and compatible personalities.

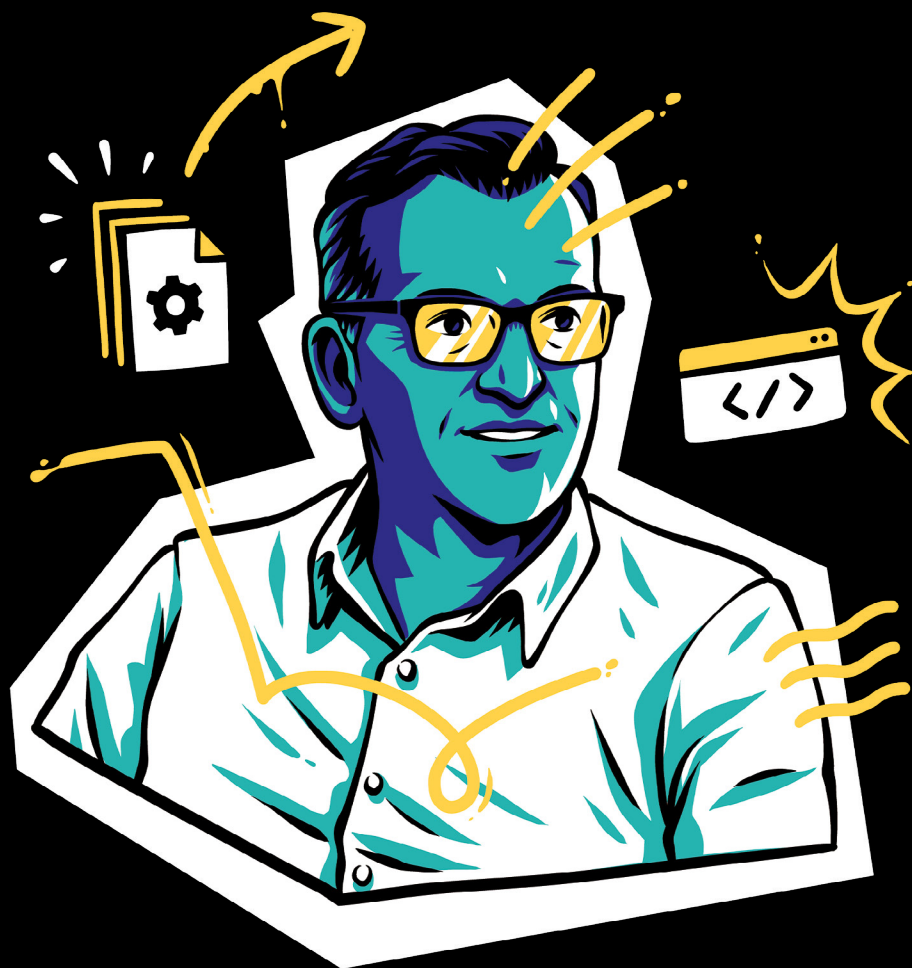


“Building the right team is key; surround yourself with the right people.”

She also advises diving in as soon as possible. Manuela believes that the sooner you start, the more time you'll have to fail, learn from mistakes, recover, explore new business ideas, and grow as an entrepreneur. Starting young can be advantageous since you might not have heavy responsibilities like children or debts.

TAKEAWAYS

- ✓ The daily **dissatisfaction and lack of motivation** many people feel **can be the catalyst** for starting a business.
- ✓ **If you always find yourself waiting for the weekend** to feel happy, it might be time to **examine your life and make positive changes**.
- ✓ **Choose your career path** considering its viability, and **be strategic** about it, **aiming to expand your future** opportunities and areas of action.
- ✓ **Gaining experience in large companies before launching your business can be advantageous.** It helps you learn how to report results to a boss, manage challenging situations, and work with people who might have different perspectives.
- ✓ A problem you face daily might be the ideal opportunity to start your entrepreneurial journey. **Since you experience the problem yourself, you can work on solving it.** Manuela and her co-founders didn't have access to any platform that offered all-in-one solutions for pets, so they decided to create one.
- ✓ **Thinking about building a strong brand from the beginning can save you effort later on.** Branding can influence customers' purchasing decisions.
- ✓ **When you start** your business, you might need to handle **every minor detail** yourself.
- ✓ **Identify your target market as early as possible.** This will help you add value and stand out from the competition.
- ✓ **Customers are the cornerstone of all businesses.** If they leave, any business will struggle. Remember that every complaint matters and that customer experience is crucial for long-term success.
- ✓ **Find partners who can complement your skills.** It's essential to share a similar vision and have compatible personalities.



MARTÍN MIGOYA

The visionary who builds

Luck is not everything

At the worst possible moment, Martín Migoya received some rather difficult news to digest. He was with his partners Guibert Englebienne, Néstor Nocetti, and Martín Umaran, closing the first round of funding for their company Globant, one of the first software engineering and IT firms in Latin America. Nothing had been finalized yet, but things were already moving in the right direction to receive capital for growth. It was just a matter of time...

But something happened that could change everything.

Currently, Globant provides engineering, design, and innovation services to world-class clients such as Google, Electronic Arts, FIFA, National Geographic, Coca-Cola, and many others. But back then, it was offering its services to a major company that accounted for 95% of its global revenue. It was their main source of income, and they depended on it to such an extent that, if it left, the business would be in serious jeopardy.

The terrible news became public in the middle of the funding round: a much larger company had just acquired Globant's client. The ground beneath Martín was suddenly shaking, but he couldn't afford to break down. Even though the situation looked dire, Martín had to stay strong, or at least appear to be.

One of the executives who would finance Globant contacted Martín. You could hear the nervousness in his voice:

—Martín, Sabre just bought your clients. They're going to kick them out.

—What are you saying? Nothing like that is going to happen. —Martín's answer was so firm that the executive was surprised.

—Are you absolutely sure that Globant is going to continue working as it has been?

In situations like that, many entrepreneurs would have cracked. Nerves would have worked against them, undermining their confidence, preventing them from seeing what lay beyond the fog right in front of their noses.

But Martín allowed himself to breathe. He analyzed the situation and understood that, although he had no way of predicting the future, he had to stand firm. He found the strength to speak with confidence, even though he had no certainty in his heart:

—I have no doubt that we will continue to work. These people depend on us to operate the company.

That was a very risky bet, but it ended up benefiting Martín and Globant by far. They survived that period of uncertainty, managed to close the financing round, and Sabre—the company that had acquired their client, did not put them out of business.

In the following months, Sabre introduced them to the team at Google, and soon Globant was working for them. Everything accelerated, and the company experienced tremendous growth, but none of it would have been possible if Martín hadn't stood his ground.

Clearly, Globant was very lucky, but over time Martín came to understand that luck isn't everything. In life, especially in the life of an entrepreneur, people often find themselves at risk in situations beyond their control. Luck is needed to achieve short-term success, but something more is required for long-term success.

Entrepreneurs need to be prepared. **“If we hadn't been prepared, Google wouldn't have hired us,”** Martín acknowledges today.

Luck is necessary, but relying on luck alone won't build a company that lasts more than 20 years in the market. “You can get lucky, but if you're not ready when the moment comes, you're totally screwed,” he concludes.

Martín and his partners knew how to be ready, and today Globant is one of the largest and most promising companies to emerge from Latin America. With over 29,000 employees, a valuation exceeding 8 billion dollars, and a presence across the Americas, Europe, and Asia.

The challenge of entrepreneurship

Although during his early childhood Martín wasn't quite sure what he wanted to do as an adult, entrepreneurial spirit ran in his veins. In Martín's home, entrepreneurship was always in the air. His father started a business in the textile industry, selling fabrics for Alpargatas, a major company that offered its products in Argentina, Europe, the United States, and other Latin American countries.

From a very young age, Martín understood that his father's business was connected to the world, and he witnessed firsthand how a company could rise from nothing and begin to grow little by little.

That was the life of his father, entrepreneurial, working for various clients, until he turned 50. From that point on, Martín's life and that of his entire family changed. At the time, Argentina was hit by a major hyperinflation crisis that affected every economic sector.

Martín's father
hadn't built a
recognizable brand
with his business.
**"He had no choice
but to tell the
whole family that
the money was
gone, that he had
no savings left,
and that he
had to go out
and look for a job,"**
Martín recalls.

His father was then forced to hand out résumés all over the city until he finally landed a job where he would eventually retire.

Martín learned a lot from his father's experience. In fact, it was one of the reasons why he didn't dive straight into entrepreneurship after graduating from university. Instead, he first chose to work in the corporate sector.

Still, thanks to his father's work, Martín had the unique opportunity to have a workshop at home, a place filled with gadgets and tools that provided endless fun. There was a lathe for working with wood, electric welders, and many instruments

that even allowed him to build circuits. With all this at his disposal, Martín spent hours playing with mechanical devices, assembling and disassembling, breaking and building, letting his imagination soar.

That creative passion would later mature into the desire to become an engineer. But Martín also developed another passion: music. In that same workshop, his father had an old, sturdy piano, which Martín learned to play at the age of 8.

When he turned 15, some of his friends came up with the idea of forming a band, and they found out he had a piano. Soon Martín began playing with them, and he fell in love with music. Thirty years later, he still nurtures this creative side as a member of a band called Sonic Diamonds.

Although his path as a musician wasn't easy, Martín always found a way to push forward. He had a very limited budget, but he made the most of his passion for building. He crafted speaker boxes and stands for his keyboard, and even soldered his own amplifiers. He would spend weeks working on new gear to help improve his music.

All of this reinforced the idea that engineering would be a good path for him to grow. After finishing school, Martín enrolled in Electronic Engineering at the University of La Plata, a program he describes as challenging, given that it took him seven years to graduate.

Engineering gave Martín a solid foundation in deep analytical thinking, which he was able to apply to many areas of his life.

“The training we receive in engineering is all about trying to understand complex things all the time,”

Martín explains.

At the University of La Plata, he also faced another challenge that made his studies even harder: the complete absence of information. Just as in everyday life, where problems often arise without all the necessary details, in university he had to study without knowing exactly which books to read or what would be on the exams.

“They’d give you a surface-level explanation of the topics, and then the final exams would hit you as if you were supposed to be an expert,” Martín recalls.

That element of chaos, he believes, was very formative. While other universities provided students with well-structured concepts and materials, Martín had to get used to uncovering the core of each subject on his own. In the long run, he thinks this worked in his favor.

Martín eventually discovered that engineering, music, and entrepreneurship shared more in common than he had expected. “In all three, you start from a blank page,” he realized. Whether it was designing a project from scratch, solving a problem, or composing a song, he needed to think creatively.

To Martín, musicians are entrepreneurs too.

“Both start from the same place, absolute nothingness. Guided by an inner fire, a flame that tells you: ‘go in that direction.’”

He learned that both in music and in entrepreneurship, you must work from intuition, with limited information, trying to carve out a path and stay consistent.

In any case, while Martín was passionate about music, he always saw it as a hobby, something he approached with varying degrees of seriousness at different points in his life. At one point, when he was playing every weekend with a band called El Inspector, a producer offered to take them on a national tour. But Martín declined. For him, studying was more important, something he had always been clear about.

After graduating, Martín worked for nearly nine years at various companies. All the ups and downs his father had experienced as an entrepreneur, ending in financial hardship, pushed Martín to delay starting his own venture until the age of 34. However, he sees this as a positive choice. Working for other companies gave him exposure to the world, helped him gain valuable industry knowledge, and allowed him to spend years doing what he loved: developing technology.

He always knew he would like to be an entrepreneur. Although he knew it was like riding an emotional roller coaster, he found it beautiful to see how a company was born from nothing and progressed.

Since he was a child, he had noticed all the things his father had done right, but also the things he had done wrong. And he learned.

Martín did not decide to start until he was completely sure and Globant was born in the middle of a turbulent time.

Martín was working from Argentina for a New York-based company as Director of Business Development. He had a good salary in dollars and enjoyed his job, but then a major devaluation hit Argentina. With the change in the exchange rate, his income dropped so much that Martín thought to himself:

“I could earn this on my own doing trading.”

With some savings he had, Martín started to buy and sell stocks, making significant profits. He was no longer earning as much at his job, so he felt he didn't have too much to lose. He had just had his first child, but he knew he was young and that it was the best time to start his business. So his wife supported him financially and emotionally.

By that time Martín had seen the opportunity to create technology for the first time from Latin America. He noticed that no one had dared to do it before, at least not on a large scale competing in core markets, creating their own value proposition, designing their brand and corporate culture. There were companies in India, in Israel, in Canada or Ireland doing it, but none in Latin America.

And it all started with Martín and three of his friends meeting in a bar in Buenos Aires. There, what would become Globant's first vision materialized. Martín joined Guibert Englebienne, Martín Umarán and Nestor Nocetti, and together they launched a project that would take them much further than they had ever dreamed.

Martín Migoya

Graduates in Electronic Engineering from Universidad de La Plata, while maintaining a passion for music—learning creativity and teamwork along the way.

1980-1990



1990-2003

Works in the corporate sector for nearly a decade before turning to entrepreneurship, gaining crucial insights into business and technology.

CHILDHOOD AND FAMILY ENTREPRENEURSHIP:

Martín grows up in a household where entrepreneurship is part of everyday life, observing how his father managed a textile business.

2003

Co-founds **Globant** with three partners, an IT and software company aiming to disrupt the regional market. In its first year, the company surpasses revenue expectations.

Globant



2008-2022

Globant goes public in 2014 and expands internationally, securing clients like Google, FIFA, and Coca-Cola.



Birth of Globant and Martin's growth

Martin had calculated that they would raise at least \$500,000 in their first year. But his math failed him: they went on to have revenues of approximately \$3 million, six times more than he had predicted.

Although he made many, many mistakes and faced tough obstacles during the early years of the company, the mental process that helped Martin overcome was the idea that he had to get results or they would simply be out of the game.

“You either get something done or you’re out,”
Martin sums up.

In any case, although the company did well since its first year, Martín was always inspired by the idea of building something lasting in the long term. This made him take the initiative to join entrepreneurial networks, such as Endeavor, where he was able to gain important knowledge that helped him in his role as CEO of Globant and also to find inspiration to continue growing.

Of course, becoming the company's CEO was not easy for Martín; he had to go through a process of growth over the years to stay relevant and continue to add value. One of the mental processes that helped him to bring out the best version of himself was to diagnose himself from the outside:

Always, when faced with an important challenge, Martin analyzes what he is doing and says to himself: “What would the best CEO in the world do at this very moment, and what am I doing? Being aware that he is not perfect, he tries to work on that space of opportunity, on that gap that separates him from the best possible CEO, to know what kind of decisions he should be making.

“It’s a method I try to use as often as possible. It’s painful, very painful, but effective,” he says.

Martín considers that some of the keys to continue growing as an entrepreneur have been to study, to be restless and curious, not to be satisfied with the results he obtains and to surround himself with the best possible team. At Globant he always had a very complete team with people who developed software, who had been project managers, who had a lot of experience in sales. In that sense, they were always aware that they had to choose people who complemented each other.

But there was also an element that allowed Globant to sustain itself over time. They always, almost by obligation, had fun doing their work. Without this fun component, Martin knows that they would hardly have gotten far...

He knows that starting a business has its fun parts, but he knows that not everything is fun. Inevitably, one will have to go through crises.

“My recommendation to all entrepreneurs who are starting their businesses and are mortified: if you’re not having a good time, that’s it. Who can put up with doing something that is torture?”

But it wasn’t all happy times at Globant. When the company was starting up, challenges were everywhere. Making ends meet without having enough money to cover salaries, getting paid by clients and not knowing how to finance Globant were difficult challenges to overcome. Martin recalls that the company, at the beginning, was like a baby: weak, fragile and had to be given all the support it could get. Any of these difficulties could have threatened the continuity of the business, but they managed to survive.

Even after raising their first round of funding, they continued to go through difficult times. On one occasion, during the 2008 crisis, their main client, Google, went from invoicing one million dollars a month to only 100 thousand. Martin came to believe that Globant would end there, but they have continued to grow despite the difficulties.

For Martín, luck has played an important role in Globant’s success, but he knows that no entrepreneur succeeds only because of good fortune. “Luck is all well and good, but you can’t do anything with luck alone”. Chance is an important component, but you need to be prepared for when luck brings good news.

In this sense, Globant had a great stroke of luck when it decided to sponsor FIFA, the global soccer governing body, precisely the year in which Argentina, the country of its co-founders, became world champion.

“This is because we think the same way we always have: big,”
says Martín.

The World Cup was three months away, and Martín came across a friend who could put him in touch with FIFA. He really wanted to sponsor the tournament, but he had very little time left...

—You’re crazy, Martín. Totally crazy. There are only three months left, you can’t do anything in three months,” his friend told him, trying to dissuade him. He did not succeed.

Despite doubts and haste, Globant managed to become one of FIFA’s sponsors. Since then, they have maintained a very positive relationship; Martín’s company

manages and develops many of the technological efforts of the sports organization. This is one of the proudest achievements of its founders.

However, although Martín was confident that Globant could make great contributions to FIFA, it never crossed his mind that Argentina would manage to win the tournament. That confirmed his argument that luck is important, but you need to be there, prepared, for when the time comes to shine. They became the first Argentine brand to be at a World Cup just when their country was crowned champion.

Those crazy but firm decisions are the ones that inspire him to continue building his way, and he considers that it was by stringing together many similar choices that they were able to put together Globant and take it to the place where it is now.

“Some of them turned out well, others... I can’t even tell you about them because they went wrong. But well, we are happy,” says Martín calmly.

How Globant was built

Although Martín and his partners were not certain that their company would ever be worth more than \$8 billion, they always acted thinking big. They found a business they liked where they realized they could work for the long term, and they tried to challenge the status quo and innovate.

They were sure they wanted to build something amazing, but their business idea evolved as they went along. They did not know at the beginning that they would go public, nor did they know that they would end up working for large international companies. This malleability, Martín understands, allows entrepreneurs to

adapt to circumstances and be more open-minded. They don’t have to know everything from the start.

And although they have surpassed two decades since Globant’s founding, Martín believes they have not yet reached their full potential.

“We are just scratching the surface of what can be done. It’s an infinite, endless business, to multiply by 50, and we haven’t started yet,” he assures him.

Martin also believes that Globant came to reinvent all the rules that had been in place for 70 years in the technology business.

In this sense, despite feeling deeply motivated in his role as CEO, Martin considers himself expendable. He has worked for 20 years to ensure the strength of his business, so that Globant's vision and purpose are tattooed on the foreheads of those who are part of it.

Martin has no plans to work at Globant forever. He believes that, when the time comes, he must also give room for other people to grow and evolve. He is confident that in his company there are people with the ability to take Globant higher.

What keeps him motivated, what drives him, is his purpose to reinvent the industry. Martin pursues the idea of being able to transform the careers of thousands of young people throughout Latin America and the world, demonstrating that it can be done from the Latin American region.

He assures that money was never a factor that mattered too much to him, and he came to make many decisions against receiving large amounts of revenue in the

short term. For example, in 2014, when Globant went public, they could have made twice as much money if they decided to sell the company; however, at that time they understood that their mission was different, that they were there to create opportunities, to build a beacon to inspire other entrepreneurs. They understood that following their purpose would be more fulfilling than selling the company and retiring, so they stayed in business.

Although he is not against those who become entrepreneurs motivated by money, Martin always preferred to act against immediate gains in favor of building for the future.

To new entrepreneurs, Martín warns that they should be aware of the difficulties involved in entrepreneurship. Being clear from the beginning that the road will be hard is healthier than thinking that the whole process will be a smooth party.

He also recommends that entrepreneurs focus on building businesses that are sustainable and aim high. He is aware that making businesses sustainable was not fashionable for a long time, but he believes the world is heading that way.

“Doing sustainable business is the essence of entrepreneurship,”
he concludes.

Another of Martín's recommendations is to focus on making the world their market. He also believes that a solid team is vital, but that the entrepreneur should not surround himself or herself with people who are too similar to him or herself.

“Love what you do,” Martín also advises. For him, you must love and honor the business you are in.

“To honor means to build it every day, to push it even though sometimes you don't feel like it,”
he explains.

Martín believes that the compound effect of working on something every day, focusing correctly and taking advantage of good opportunities, is devastating and generates surprising results in the medium and long term.

Argentina has been a place from which many globally successful companies have emerged, and Martín believes that one of the causes is because his country is a land of crisis. He started Globant in a complicated period, and other companies were also born at times when the situation was complex.

“We are molded with a kind of resilience to crises that other countries don't have,”
he believes.

Argentina was for many years a territory that attracted foreign talent. Martín recalls that in Buenos Aires he could meet some of the most brilliant people in the world trying to build their new home there. Likewise, there were Argentines who decided to stay in their country even in its worst crises, and as a result of all these ingredients, companies were born that overcame those difficult times.

For Martín, a successful company inspires other companies to become successful, and that is what happened in Argentina. He himself was inspired by the success of Mercado Libre to take the decision to go public. The entrepreneurial ecosystem in his country and in Latin America has allowed everyone to benefit. “We have to analyze it as a chain of influences,” says Martín, who is happy to see how new companies have emerged in Colombia, Chile, Brazil, Peru, Ecuador and other countries in the region.



In this sense, Martin believes that Latin America is putting itself at the center of many of the things that are happening in the world, no longer being seen as the younger brother of the United States, but as its partner and strategic ally at a global level.

And entrepreneurs have been key to this shift towards leadership in the region. Martin is convinced that there are elements that distinguish an ordinary entrepreneur from those who have achieved outstanding results. The keys for him are to surround yourself with the best possible team, to be a deeply curious person, to have fun doing what you love, to create projects that can become sustainable and to trust in the powerful effect that can be achieved when every day, little by little, the entrepreneur strives to continue building his or her path.

TAKEAWAYS

- ✓ **Luck is not everything.** Entrepreneurs must be prepared to **take advantage of their opportunities**, or even good fortune will not be enough to guarantee their success.
- ✓ Your childhood passion **can mature into a job or venture** where you can shine.
- ✓ **Chaos can be an important formative component for entrepreneurs.** It gives them resilience and develops their ability to get through difficulties.
- ✓ **Working in other companies before becoming** an entrepreneur can be a way to learn about your industry, how companies work and how to function in a work environment.
- ✓ **Look at the experiences of entrepreneurs close to you.** Learn about their history, with their mistakes and successes.
- ✓ **Ask yourself what the best CEO in the world would do and compare it to what you currently do.** Try to work on that gap that separates you from the hypothetical actions of that great CEO.
- ✓ **The entrepreneur has to like what they do.** Otherwise, it will be difficult to withstand all the pressure that comes with the entrepreneurial process.
- ✓ **You don't have to know everything** your business will be from the start. **You can adapt and evolve** as you go along.



PAULO VERAS

The serial entrepreneur who became an investor

The Titanic orchestra

2016 marked one of the darkest hours in Paulo Veras' entrepreneurial journey. At the time, he was running 99 Taxi, a transportation services startup he had co-founded, which was experiencing a major cash drain. What was the crisis? Their main competition, Uber, was destroying them. Plus, the funding they had received at 99 Taxi had already been depleted.

They were competing against the most well-funded startup of the time and were losing. Uber kept gaining more and more of the Brazilian market share, leaving them defeated in their own country. Adding to the difficult times, Paulo had to spend almost the entire month of April in the hospital due to illness.

Even though he struggled, Paulo held onto his core belief in a powerful vision and dream. Believing in that vision was the hardest part, especially when faced with challenges.

During the crisis, Paulo, along with his co-founders Renato Freitas and Ariel Lambrecht, chose to open up to their team and show vulnerability. They invited everyone to contribute, a spirit of unity emerged, and... something magical happened.

“At the time, Uber was trying to hire all of our senior managers,”
Paulo reveals.

Uber was offering them a 50% increase in their salaries and stock options. Uber was practically telling them, ‘You know what? Your ship is sinking. We’re taking our game global, so come with us and bet on the winning horse.’”

Despite 99 team members receiving 15 formal offers, none of them accepted.

Paulo remembers:
“I had that feeling there... Remember in the movie Titanic, when the ship is sinking and people keep playing their instruments? Our team was the orchestra. I think that’s what allowed me to continue believing in the vision”.

This belief gave Paulo the drive and determination to proceed.

Paulo adds, “It was like being at war, in the trenches, and you look at your brothers and say, ‘We’re going to do this.’ I think that’s what helped me”. It was the collective drive and sense of belonging that helped the 99 team rise and weather the storm of 2016.

In 2018, two years after that crisis and six years after its founding, Paulo and his team sold their company, 99, to Didi – a major Asian transportation

company. This acquisition made 99 the first Brazilian company to reach a unicorn valuation.

Currently, Paulo has founded six digital startups and is now working as an angel investor. He is also on the Board of several companies in various stages of growth.

Paulo was previously the Managing Director of Endeavor Brazil, and he now serves as a mentor and is on its board of trustees.

Paulo formally started his first business at the age of 22, along with three of his high school friends. He insists on being a very methodical person who needs to have his workspace, his schedule, and even his phone apps well ordered. "Clutter drives me crazy," he confesses. He speaks four languages: Portuguese, English, Spanish and French. He is used to getting up at six-thirty in the morning. He does Pilates and long treks on weekends. He reads at least six books a year and also enjoys playing video games.

Starting with technology and exploring the concept of entrepreneurship

The inspiration to become an entrepreneur stemmed from two sources. First, the influence of his father, an immigrant who came from Hungary to Brazil right after the war.

"He started from square one and he was always entrepreneurial,"
says Paulo.

His earliest memories of what a business was always revolved around his father's companies, the corporations he built, though his father never included Paulo or his sisters directly in his ventures. "He set very clear boundaries.

I remember him telling me from a very young age that, if I wanted to have a business of my own, I would have to start it from the ground up. It wouldn't be with his company. That was certainly an important influence," he says.

His love for technology was the pathway to his inspiration for entrepreneurship. Paulo recalls how at the age of 10 he first came into contact with very rudimentary computers. He then started reading subscription magazines from which he got a glimpse of the future with all the products they were launching and the new solutions coming onto the market.

“For me, entrepreneurship and technology were almost the same at that time. If you wanted to do something different, you had to create it and then find a way to bring it to the market,” explains Paulo.

Technological advancement was synonymous with entrepreneurial spirit for him. In this sense, from a very young age, he always knew that at some point, he would create his own business.

Throughout his youth, he avidly followed the developments in Silicon Valley and drew inspiration from reading magazines that featured the history of Apple, Microsoft, and IBM. At some point, Paulo desired to relocate to California, as he believed it offered an innovative environment. He even sent his resume to Lucasfilm, the company that created the Star Wars and Indiana Jones franchises, in the hopes of securing a job. However, they never responded to his application.

While in high school, Paulo learned to program. Early into college, he further developed his computer skills and started developing and selling software to doctors, lawyers, and whoever else needed customized programs for their jobs. “There I was already exercising those muscles, learning how to build products, how to

price them, how to market them, and build out services for third parties. It wasn’t like I waited some time and then ‘started’ entrepreneurship. I was slowly doing little things here and there,” Paulo explains.

The truth is that he had no doubts when it came to selecting a college degree: he only applied to engineering school. “It was a natural choice because I loved technology,” Paulo assures. “I had a lot of computer science classes during university, and also engineering teaches you a lot about problem-solving.”

As soon as he finished his studies, Paulo went to work for a well-established multinational company called Asea Brown Boveri (ABB), which focused on automatization engineering, whose goal is to transform the industry through the application and integration of technologies such as robotics or computer numerical control. He was there for two years until he realized that he didn’t quite fit in with what he was doing and wanted to start his own company instead.

So, he eventually created his first enterprise with three friends he met in high school.

The company was called Tesla and focused on web development. They chose that name seven years before the company that Elon Musk leads today was founded.

However, they didn't have much of a baseline for what it was like to be an entrepreneur in Brazil. "It wasn't a vibrant startup scene where people were popping up and creating things all the time, scaling them, taking them public and raising investment... That wasn't happening," Paulo assures.

"We had already discussed that we wanted to one day create a tech-related startup... Not with that term, though. A tech venture wasn't a common expression used in Brazil at the time."

Paulo points out that the word "entrepreneurship" was not common either. It was Endeavor Brazil that was one of those who were responsible for putting it in the dictionary. "Endeavor Brazil told all the dictionary editors in the country that a very important word was missing, and they ended up including it," he says.

In any case, he and his colleagues knew that entrepreneurship wasn't just about dreaming big and expecting everything to fall into place. Along the way, with each attempt at starting a business, they had to learn, test, and experiment. While Tesla wasn't Paulo's greatest success—99 Taxi was, marking his sixth attempt—it was the first significant step in paving his path. Some ventures saw small-scale

success, while others resulted in significant failures from which Paulo gleaned valuable lessons, he admits.

Before venturing into entrepreneurship, Paulo lacked any formal business training during his engineering studies. It wasn't until many years later, already an entrepreneur, that he pursued an MBA.

While his engineering background provided some assistance, it was limited. "I lacked knowledge in people management, business practices, administration... and I made many avoidable mistakes during my initial years at Tesla. As founders, we had little experience in entrepreneurial matters," Paulo acknowledges.

"I believe I received the most critical part of my world-class entrepreneurial training at Endeavor," he explains. There, he gained numerous references and insights into corporate cultures, best management practices, and the factors that drive rapid company growth and attract top talent.

"Endeavor has been by far the most valuable contributor to my success as an entrepreneur, raising the bar much higher than I initially thought possible,"
Paulo affirms.

Paulo Veras



Co-founds **99 Taxi**, inspired by international ride-hailing models. His market vision helps build one of Brazil's leading platforms.

2012

1990-2000

Studies engineering and starts his first company, Tesla, with high school friends while working at ABB. Although the venture isn't a major success, it provides valuable experience.



CRISIS AND RECOVERY 2016

99 faces a crisis competing with Uber. Thanks to team loyalty and long-term vision, the company recovers.



2018-PRESENT

Paulo becomes an investor and mentor to startups and established businesses, maintaining his entrepreneurial mindset and supporting new ventures.

2018

99 becomes Brazil's **first** unicorn startup after being acquired by Didi, marking a major success for Paulo and his team.



How a well-established entrepreneur thinks

In the beginning, before becoming deeply exposed to the world of entrepreneurship, Paulo thought that the most important thing before creating a company was to have an incredible idea. “Now I strongly disagree with that,” he assures. Nowadays, Paulo believes that the idea is much less relevant than the execution and that it is very rare to find great original ideas.

“Usually, what you see is something previously done elsewhere, or something that bothers you regularly and you wish to see improved,” Paulo says.

For him, the key is to find ideas and concepts that work somewhere else in the world and then analyze whether they can be applied in your market. That’s what happened with 99. On a trip to Germany, another Brazilian, Ariel Lambrecht, who would become one of the co-founders of 99, noticed that it was common for users to order cabs through an app. In London there was also another company exploring this market, but no one was doing it in Brazil.

Ariel contacted his fellow Brazilian Renato Freitas, who was his partner in another startup, and then sought out Paulo, whom they had met one year earlier at an Endeavor event. Paulo connected with the problem immediately: he had suffered in his

flesh the need to go out somewhere, call a cab, and have to wait for half an hour before it arrived.

“We understood that the problem was real. So, we did some research and concluded that the market was very large and attractive,” Paulo explains.

Paulo recalls that Ariel came with a presentation where he detailed the market size, saying:

—If we end up reaching a thousand cars on our platform, we will be the largest vehicle platform in the country.

Paulo did a little quick research on the internet. He discovered that there were, at the time, approximately 150,000 cab drivers in Brazil.

—If we build what we want, and it works, all those drivers should be using our platform — Paulo told his co-founders. —Why aim for less than 1%? That doesn’t make sense.

That response, Paulo assures, was born thanks to the influence of the learnings and lessons he accumulated at Endeavor. “There is a very famous phrase said by Jorge Paulo Lemann, a former Endeavor Brazil board member: ‘Whether you dream big or small, the amount of

work required from the founders remains fairly the same.” In this sense, Paulo believes that, if you have to dedicate efforts to create something, it’s best to aim high.

With that mindset, the team started in Sao Paulo, where they lasted a year before expanding to other parts of Brazil. They called the company 99 Taxis because they wanted a name that could be exported internationally. Even before they had money or a specialized team, Paulo, Ariel, and Renato knew that what they were building had the potential to be international and work in different markets.

Paulo believes that the key to 99’s great outcomes was ultimately the team they put together and the excellent execution of their strategies. He says that their competitors had a lot more money, but they were still defeated because, in the end, 99 created better products and had a much more engaged team.

“We managed to approach the problem with more elegant and simpler solutions,”
says Paulo.

According to Paulo, their competitors used a different strategy that relied on aggressive customer acquisition and rapid growth through sheer force. However, they could not sustain this approach because 99 had a superior product that created more loyal and recurring users.

There was a vital conversation with an Endeavor board member in a previous failed venture that helped Paulo realize what strategy they should pursue at 99. That particular person told him something he will never forget: “Paulo, from what you tell me, you are playing the same game as many other players, but you have less money. I’m unsure if any of them will win, but I assure you that you will certainly lose. If you play the same game, you will have to raise more money than they do. If the game is won by whoever has more cash and you have 10% of what they have, of course, you will not win. So, either you raise more money, or you will have to decide to play a different game.”

The 99 team decided from the start to focus on the customer and the product, resulting in an increase in the number of trips and generating good revenue, which made them attractive to investors.

Consequently, the startup managed to raise around \$250 million in venture capital through its lifetime.

The team created a marketplace that catered to both drivers and passengers, realizing early on that the two of them should be considered as customers. In contrast, Uber and Easy Taxi, 99’s competitors at the time, only viewed passengers as customers, leading to a strained relationship with cab drivers.

Paulo explains,
“We were very pro-driver, and we were close to them. We addressed their problems and tried to build the best app for them.”

Ultimately, the drivers played a key role in promoting 99 and ended up being their biggest marketing tool. “The first two years, when we didn’t have any money, drivers promoted 99 to all passengers, even those who had called them via other ride-hailing apps,” Paulo says. As a result, despite facing fierce competition from rivals who invested heavily in marketing, 99 gained a strong foothold in the market. When the competition faltered and struggled to raise additional capital, 99 emerged as the clear winner.

Although they made many small missteps along the way, they also made several good decisions. Paulo mentioned that they were not afraid of making mistakes and moved fast. “I believe this helped us a lot: We had a rhythm of execution and decision-making in very short cycles, like weekly cycles... We were incredibly agile and adapted very fast, which helped us maintain a competitive edge over our competitors.”

As they grew, Paulo realized that everything depended more and more on the people he had in his team. They started as three colleagues, but by the time they sold 99, five years after their founding, there were a thousand. “This is when companies may lose their sharpness; as they start to hire more people, they may not be as committed, fast, or aligned with the company culture as the original team. This can lead to the company becoming bureaucratic, slow, and expensive, which can result in lost leverage and ultimately, failure.” According to Paulo, the biggest risk of scaling is that companies can lose their chance to become something amazing because of the need to integrate more people into their team in a short period. “You lose identity and the pull you had in the beginning.”

Although they would eventually sell 99, Paulo always approached his businesses with the mindset that they would last forever, as he’s done with all his ventures. According to him, this mindset is the best way to make decisions that lead to success.

“We didn’t know if we were going to sell the company, nor were we trying to. The goal was to create something valuable that would benefit millions of people,”

If that worked,
the financial
rewards would follow.
**He always made
decisions with
the long-term
future in
mind.**

Uber was a tough competitor for 99. Many of 99's major investors later invested in Uber, making it harder to get funding. Then, Didi, a mobility company operating in the same market as 99 (but in China), showed interest in buying the company.

At this point, Paulo had to think about his priorities... While having ambitious goals for the company, its employees and investors, his personal goal was to build a better life for himself and his family, and he believed that selling 99 was the best way to eliminate risk and maximize his reward. After considering his options, he decided to proceed with the transaction, to live another day to fight another battle. As a result, 99 became a part of Didi.

Through this transaction, 99 became the first startup in Brazil to achieve unicorn status, with a valuation exceeding one billion dollars. This achievement had a profound impact on the Brazilian entrepreneurial ecosystem.

As with companies like PayPal or Rappi, the success of 99 spawned more than "50 different startups, some of which have become highly successful."

**According to Paulo.
99 became a place
where a whole
new generation of
entrepreneurs with a
desire to scale their
companies was born.**

From the beginning, Paulo and his team focused on hiring people with typical entrepreneurial profiles and skills, such as innovation, creative problem-solving, strategic vision, and hard work. With the sale of the company, Paulo explains that they were liberated to pursue new paths with all the tools and relationships they had acquired during their time at 99.

**Upon reflecting
on his past,
Paulo has
revealed that
he encountered
several different
problems before
discovering the one
that would work best
for him to solve.**

He wasn't motivated to become an entrepreneur because he was passionate about solving a specific need, nor because he wanted to be like famous entrepreneurs such as Bill Gates or Steve Jobs. What he truly wanted was to build something great, an achievement that he would be proud of and that could benefit him and his family. "I wanted to be able to afford a country house,

a better car... whatever. I believed that entrepreneurship was the way to achieve that. My motivation was to build something successful rather than loving the problems I was solving," Paulo explains. "But I also believed in finding joy out of the journey, the learnings, the small victories along the way."

Throughout Paulo's six ventures, he learned that it is impossible to control the path he follows. It wasn't a matter of simply leaving one company to start another; each experience was unique, with its challenges and rewards. Paulo had to make decisions based on the circumstances he faced at each moment.

Life after 99 and advice for entrepreneurs

Paulo was searching for a project that would help him achieve his desired financial position before he founded 99. Eventually, he succeeded in developing the project, and in time he sold it. After selling 99, Paulo decided to reinvent himself and become an angel investor.

As an angel investor, he can afford to be restless and involved in different ideas, projects, and teams. Although he acknowledges that it's not as deep as focusing on a single problem, he enjoys acquiring a broader range of knowledge in his current role.

"I have 10 startups that I dedicate time to, and I am also a board member of a couple of large companies. I think this is not the norm. Most of my friends who sold their companies ended up creating another one. I opted to transition into a new role."

He is now in a much more comfortable position than when he was an entrepreneur. Paulo explains "Now, I can sleep well every night. There are other people in charge of executing the day-to-day tasks. I have no idea how Elon Musk manages to be in an executive position at different companies, but I admire his approach. I think founders and CEOs should be 120% dedicated to the business they are building."

Although he is no longer the decision-maker, Paulo still thinks about the business from the same perspective as entrepreneurs. He considers how they can grow, expand, engage more users, and make those users love the product.

“Regardless of whether I own 1% or 100%, whether I’m running the company or not, I always think from a very entrepreneurial perspective,”
Paulo assures.

He recently joined the board of Grupo Boticario, a large Brazilian company that employs more than 20,000 people. Although he is not a shareholder of the company, Paulo is delighted with the whole team and its history. Since starting his involvement, Paulo has been actively engaged in rocking the boat and provoking them to change and eventually pursue higher growth.

He shares that in the beginning, he was told that he didn’t understand how a mature company worked because he came from tech startups. “This doesn’t grow 30% a year; this grows at the rate of the country’s consumption,” he said. But Paulo did not have that mindset. He knew there were many opportunities to create value and accelerate growth.

Since then, Grupo Boticario has grown 30% a year, doubling in size every three years.

“What took them 45 years to build, they’ve now doubled in three years,”
Paulo recounts.

“I feel great about that. Even though I was never close to running the business, I was able to influence the shareholders and the board towards a much more constructive and growth-oriented mindset, which is what we have in startups.”

Something similar happened at another company where Paulo sits on the board, called Localiza, the second-largest car rental service in the world. Before Paulo arrived, Localiza was happy with crossing the mark of 100,000 cars in their fleet, and they were growing. However, after five years, with Paulo’s help, they now have more than 600,000 cars. Paulo helps companies to overcome challenges and discover ways to create value and grow faster. He finds it fascinating to work with mature companies that have been around for 40 years and startups that are just being created. Localiza’s market cap is now bigger than Hertz, Avis and Sixt combined.

Paulo once heard from a Harvard professor that the defining characteristic of an entrepreneur is the relentless pursuit of opportunities, regardless of the resources currently available. He has observed that many established companies lose this drive to seek out new opportunities.

These companies become content with growing at a rate of 5 or 10 percent per year when they could grow at a much faster pace of 20 or 30 percent. The compounding effect of such accelerated growth over 20 years can result in the creation of large companies like Apple or Amazon. Paulo believes that this level of success can be achieved by any company that is willing to think big. "And it can be done. Why don't we think of it that way?"

Of course, Paulo has also earned the privilege of choosing the companies and teams he wants to work with, the ones he feels he can add value to and enjoy working with daily. In addition to his work with for-profit companies, he also works with two non-profit organizations: as a mentor at Endeavor Brazil and as part of an advisory board for Gerando Falcões, an institution that fights poverty.

Paulo considers two factors when deciding to get involved with a company: the size of the opportunity and the quality of the team.

The market size they aim to target and the potential revenue they can generate is crucial to determine the opportunity. Meanwhile, Paulo evaluates the team's skills and values to ensure they align with his.

When it comes to entrepreneurs, Paulo admits that it can be challenging to distinguish between those who can execute their plans from those who merely dream big.

Paulo believes in having tough conversations with entrepreneurs to challenge their ideas. He likes to ask them difficult questions and encourages them. "If someone is overly confident and doesn't leave enough room for feedback or challenges, I find it difficult. I appreciate people who take the time to consider the criticism they receive, and if they return later with plans to address any concerns, I value that greatly."

This is exactly what happened with Renato and Ariel. When Renato and Ariel first presented their first business to Paulo, he realized it wouldn't be scalable. Although they had a great product and a fantastic team, Paulo suggested they pursue something else. Later, they came back with the idea for 99, which Paulo supported, and the rest is history.

Entrepreneurs in Brazil face both a challenge and an opportunity due to the country's large market size. While it is possible to create a unicorn by focusing solely on the Brazilian market, many entrepreneurs are content with serving only Brazil and do not expand globally.

It is rare to see Brazilian startups competing on the international level. However, there are some exceptions, such as Digibee, a company in which Paulo is an investor and board member. The company's founders have already relocated to the United States and have secured investment to expand the company globally.

For entrepreneurs just starting out, Paulo advises focusing on big opportunities and building the right team to tackle them effectively.

He suggests that you don't necessarily have to come up with unique and revolutionary ideas, but instead, you should think about ordinary things that you can do better.

According to Paulo, "This is precisely what successful unicorns in Latin America did to achieve their accomplishments."

Paulo stated that a lot of established companies treat their customers very poorly. "They are still stuck in the old ways of doing things." Paulo believes that the key to success is to understand your customers' needs and move them into the digital era. It's fundamental to build a good relationship with your customers. "The opportunities to do this are all around us, and you don't need to be a genius or a rocket scientist to spot them. Ultimately, success will depend more on your execution being better than others, rather than having a better idea than your competition."

It is not necessary to attend a large university to be successful in entrepreneurship. "On the contrary, having an MBA may make people more risk-averse, resulting in a loss of drive. For me, it was helpful that Ariel and Renato did not have an MBA. If you look at cases in the United States, many people in incredible companies had no business background or dropped out of college in their first or second year," says Paulo.

**“I believe
that the experience
you gain, even
by working for a
startup as a young
person, provides
you with the
tools necessary
to succeed on your
own, just like the
99 team is currently
doing. This can be
more relevant than
formal business
education.”**



TAKEAWAYS

- ✓ During tough times, **having a team of skilled and loyal individuals** who believe in the organization's vision **is crucial** for success.
- ✓ Before starting a business, **you should gain knowledge about how companies work**. You can do this by working in a startup or large company or by getting an MBA.
- ✓ Starting a business doesn't require an extraordinary idea. The essential thing is to **identify ideas and concepts** that can address **prevalent issues**, enhance the current approaches, and adjust the solutions to your target audience and modern digital trends.
- ✓ Dreaming big and dreaming small both require a lot of work. If you're going to devote effort to creating something, **aim high**.
- ✓ If you're competing in the same market as your better-funded rivals, you're likely to lose. You'll have to either find ways to **raise more capital** to keep up with them **or innovate your value proposition** and offer something distinct from what others are providing, **getting into a different game**.
- ✓ **Don't be afraid to make mistakes**. Making small mistakes and moving quickly is key for ventures to achieve their best possible version in the shortest amount of time.
- ✓ One of the most important aspects of entrepreneurship is **the ability to identify a significant goal or aspiration**, believe in it, and hold onto it during difficult times. This vision will provide the motivation and determination to overcome obstacles and succeed.
- ✓ When starting a business, **always keep the long term in mind**. Focusing on short-term financial gain may lead to poor decision-making.
- ✓ Entrepreneurial journeys are unique and filled with hardships, tough decisions, and unpredictable circumstances. **You as an entrepreneur cannot control how your paths will be**.
- ✓ **Opportunities are abundant around us** and you don't have to be a rocket scientist to spot them. Success depends more on execution than on having a better idea than your competition.



RICARDO SALEM

Becoming an entrepreneur with
your two best friends

The need for a change

Ricardo Salem felt he was not in the right place. At the time, he was employed in Brazil by one of the world's leading consulting firms, McKinsey & Company, but he was not quite satisfied. He felt frustrated and was experiencing anxiety. Although at one point he enjoyed his job, over the years, he found himself lacking energy, dull, and unhappy.

Consulting was a great career, and McKinsey was an excellent organization, but he was no longer connected with what he was doing. He had learned fantastically but was experiencing an intense need for a change.

He was becoming interested in Brazil's emerging startup ecosystem. He reflects that he would have enjoyed working for companies like Nubank or Creditsa, which sought to disrupt their markets through technological proposals.

But he would go further, creating his own startup: Flash, a business that allows companies to centralize corporate expenses on a single platform, offering employees a multi-benefit card that also functions as a prepaid corporate card. Today, 5 years later, it has more than 700 employees, and in 2022 received 100 million dollars to continue growing and expanding its services. In the coming years, Flash seeks to continue generating disruption in the Brazilian market.

However, in 2019, quitting McKinsey was not an easy decision. For Ricardo, decisions always had to be made as a family, such as moving to California to pursue his master's degrees and then returning to Brazil. He could always count on the support of his wife.

“We had been together for a long time, so we had a deep and close understanding of each other and of the choices we made together. None of the choices were one-sided. It was a family conversation and a family decision,”
Ricardo asserts.

During that time, she had also seen his frustration and unhappiness and wanted change.

When Ricardo left McKinsey, he never imagined that his two best friends, the brothers Pedro and Guilherme Lane, would show up to invite him to join a business venture that would turn his life upside down. Thus began Ricardo's journey with Flash.

Ricardo took a leap of faith into an uncertain future, and it was worth it. He noticed positive changes in his

life after making the transition. “My wife notices I have more energy; I seem happy, fulfilled, and balanced. Even though I work a lot, I can now maintain a more balanced lifestyle than when I was a consultant. This allows me to be more present with my daughter and wife. Overall, I think my family and I are happier and proud of the transition,” Ricardo ponders.

Ricardo embarked on his entrepreneurial journey at 35. He emphasizes a key difference

between successful and average entrepreneurs: a focus on creating meaningful change alongside resilience during challenges. Beyond business, Ricardo prioritizes quality time with loved ones and enjoys exploring the world through travel. While he’s a committed reader, he aspires to read even more and considers himself a fitness enthusiast. His fluency in both Portuguese and English reflects his experiences living in Brazil and the United States, and he knows a little Spanish, French, and Italian.

Life before starting a business

A fascination with technology bloomed in Ricardo during his childhood. This passion fueled his interest in entrepreneurship and problem-solving through future technological advancements.

Ricardo’s entrepreneurial spirit was also nurtured by his father. **“I started working at my dad’s company at a very young age,”** Ricardo says, **“even interning there during my vacations.”**

His father always had the desire for Ricardo to join the family business and become a great businessperson eventually “I think he would have liked for me to become a great businessman and return when I was a little older in a more senior position.” In that sense, Ricardo entertained the idea of working with his father until he founded Flash.

Right after completing his undergraduate degree in engineering, Ricardo entered the corporate world. He worked in consulting and even joined Amazon briefly while residing in California. However, despite his love for technology, after joining McKinsey, Ricardo unconsciously moved away from his passion and worked less in technology-related areas.

In 2009, Ricardo pursued an MBA at Berkeley and remembers a career planning session with a counselor during which he identified three professional paths. The first, returning to consulting, held the least appeal. Years in the field had left him burnt out. The remaining options both involved entrepreneurship. One path kept him within his father's company, allowing him to create something new within an existing structure. The other, however, beckoned with the freedom and challenge of starting his venture from the ground.

Despite little appeal, Ricardo returned to McKinsey after his MBA, staying for another seven years.

“Consulting is a great fit for some, especially those unsure of their path,” he explains. It lets you postpone career choices. You’re exposed to diverse industries, remain highly sought-after, and have the flexibility to transition to a different career later. In my case, I opted for consulting because a better option wasn’t clear at the time.”

“But those are just negative points. Beyond the drawbacks of indecision, consulting offers significant benefits.” Ricardo emphasizes the extensive learning opportunities, “honing communication skills, and developing the ability to swiftly tackle problems while structuring thoughts effectively.” Consulting fosters the development of analytical, communication, decision-making, and strategic skills in its employees. Throughout his career, Ricardo pursued a generalist approach, working across diverse industries and with a variety of clients. This enriched his knowledge base in areas like supply chains, business plans, customer-focused digital strategies, capital raising, and strategic vision. In essence, his time at McKinsey shaped him into a well-rounded professional.

“Consulting makes you a powerful influencer, leader, problem-solver, and business decision-maker,” Ricardo explains. “You also become a skilled storyteller and communicator on business matters, which ultimately proves invaluable for investors and fundraising.”

Ricardo even explored his entrepreneurial spirit within McKinsey, learning the intricacies of venture capital without jeopardizing his financial security or family stability. This allowed him to delve into the entrepreneurial process without taking a personal leap.

The entrepreneurial itch, however, remained unquenched. While at McKinsey, Ricardo perfected his skills and experience, as he thought about what will he do for his eventual post-consulting path.

Ricardo admits a healthy dose of caution held him back from entrepreneurship. He waited for the right push – not just the courage to leap, but also finding the ideal team. A supportive network and inspiring colleagues were crucial for him. Fortunately, Pedro and Guilherme entered the picture with a new opportunity after Ricardo left consulting. Pedro, CEO of a communications agency and a seasoned leader with seven years of experience, craved a new venture. Guilherme, a tech expert from a successful startup, was ready for a fresh challenge.

Witnessing his employees' frustrations with their social benefits – some underwhelmed, others uninformed – sparked an idea in Pedro's mind. He saw a \$150 billion annual market in Brazil, dominated by just four players. "There has to be a better way," he thought. Leveraging his legal background as a lawyer, Pedro delved into regulations, identifying opportunities for him, his brother, and Ricardo to create a more valuable proposition.

Ricardo's initial reaction was skepticism and telling them that they were crazy. He voiced concerns about the risks of a startup, including potential bankruptcy, and expressed his hesitation about such an undertaking.

It was not something for him. They were going to compete against two of the largest banks in Brazil, and for Ricardo, Pedro's plan did not make much sense.

Committing to Flash

Their conversation revealed a perfect synergy; they complemented each other perfectly. Pedro brought legal and operational expertise, Guilherme possessed tech and product development knowledge, while Ricardo excelled in business strategy and investor relations.

Ricardo suggested delving deeper into the most suitable model for their venture. Pedro, enthusiastic about the collaboration, proposed dedicating three days a week to help them navigate the path forward. Naturally, Pedro's initial idea would evolve as they progressed.

Despite Pedro and Guilherme's request that he co-found their nascent company, Ricardo remained hesitant.

"If you feel you can't accept the risk behind it or you don't like the idea, you can go do whatever you want later,"
his friends reassured him.

In a conversation with his wife, Ricardo knew that entrepreneurship with two such close friends could have two outcomes: either something great or a complete disaster. Whether or not they succeeded would depend on certain factors: that they

respected each other, that they complemented each other, and that they aligned their values. "It's even worse for the two of them, who are brothers. I tend to be the balance outside of the family," Ricardo reveals.

Despite the significant risks, **the allure of building something with friends he trusted with his life and with whom he aligned on core values, ultimately outweighed Ricardo's hesitation.**

Inspired by a connection he hadn't felt working before Ricardo was eager to build a business with them. While their initial brainstorming involved hundreds of ideas and some heated debates, Ricardo emphasizes these disagreements never strained their bond. Their close friendship allowed Ricardo, Pedro, and Guilherme to quickly find solutions that benefited the company.

Despite viewing himself as creatively limited, Ricardo knew he excelled at refining others' ideas. He channeled this skill into Pedro's initial plan, helping it evolve significantly.

The team spent months interviewing potential clients and, as Ricardo

jokes, “more lawyers than I ever wanted to meet.” Their goal was to refine Pedro’s concept into an ideal model. They explored alternatives until they landed on a win-win solution – a business model that benefited everyone.

“We aimed for a product that served both customers and society,” Ricardo emphasizes.

“I had over 100 HR interviews,” Ricardo recalls. So they iterated until they found a new model that served potential clients, benefited everyone, and even gained legal approval for scaling. This transformation took approximately three months, turning Pedro’s initial spark into a pitch ready for angel investors.

During this time, Ricardo was transparent with his co-founders that he was still risk-averse and that his family depended financially on him. Gradually, however, he began to get excited about the ideas they were building and the problem they were trying to solve. There was a good short- and long-term opportunity to make an impact.

Reflecting, Ricardo feels leaving McKinsey marked a turning point where the stars aligned. He’d already entertained the idea of starting a disruptive company, and then the perfect team materialized – inspiring and urging him to contribute to their project.

“This was unprecedented,” Ricardo explains, “the first time I could truly delve into an idea from scratch. At McKinsey, research never went beyond two months on a single concept.”

Following their finalized concept, Guilherme transitioned from his previous company to work full-time alongside Ricardo and three newly hired developers. Their headquarters? Guilherme’s home dining room. Meanwhile, Pedro began transitioning out of his existing company, ensuring a smooth transition for his co-founders.

Ricardo recognizes that challenges can arise when co-founders’ attention is divided, like he experienced initially being hesitant or with Pedro’s gradual departure. Friction, mistrust, or doubt could arise in such situations, however, their close bond fostered empathy, allowing them to navigate each other’s circumstances with grace.

Throwing his full weight behind Flash, Ricardo spent the first half of 2019 laser-focused on product development.

He meticulously crafted metrics to gauge success, ensuring he wasn't wasting valuable time.

Investor validation was crucial to mitigate financial risk and secure payroll. Speed of adoption was another key metric. Leveraging their interview insights, they designed a Minimum Viable Product (MVP) for rapid scalability. Their initial focus was on quick market validation with minimal investment. Success would then trigger a fundraising round.


Fortunately, they quickly validated their product among potential users and investors. Ricardo secured angel investment from Patrick Sigrist and Guilherme Bonifacio, two iFood co-founders he deeply admired. Market and investor confidence in Flash's potential further bolstered Ricardo's resolve, mitigating his initial risk aversion and encouraging him to fully commit to the company.

Their growth trajectory was intense. Between June and February 2019, they secured seed funding and launched in July. The user base skyrocketed from 28 to 400 customers in just three months, with exceptional user satisfaction.

Just three months after the launch, investors arrived unannounced, late at night, knocking on the door. Despite Ricardo, Pedro, and Guilherme's attempts to reschedule, the investors insisted on an immediate conversation.

—No, Explosive growth is imminent.
— The investors declared, refusing to leave.

Flash promptly embarked on negotiations for a second round of investment, securing greater control and decision-making, fueling growth acceleration, attracting senior talent, and enabling improved compensation for the team.



“This cyclical process of market validation, financial backing, and securing our finances progressively powered my commitment,” Ricardo explains. “As I engage deeper, my passion for tackling the problem intensified. Our ongoing discussions unearthed future opportunities that are now becoming reality.”

Their vision expanded beyond benefits, encompassing expense management, corporate cards, and even integration with HR software. While initially focused on the future potential, their vision organically blossomed, fueled by their growing enthusiasm since in their heads and hearts it was already a functional matter. Though Ricardo hadn't entered the project driven by the problem itself, he ultimately became passionate about the product, the vision, and the exciting possibilities ahead.

Naming their company sparked lively discussions. They sought a future-proof name, avoiding a performance-centric label. As their brainstorming funds dwindled, they enlisted a branding expert who owed them a favor. “Flash” emerged from the session, perfectly embodying their core values and offering flexibility for future ventures. Its memorability and appeal sealed the deal.

Choosing a company color followed a similar logic. They analyzed the crowded Brazilian fintech space. “Every color imaginable, from neon yellow to green, was taken by the competition,” Ricardo says. “Except pink.”

At Flash, challenging the status quo and innovating were core values. “We craved attention,” Ricardo explains. “Imagine someone at a restaurant paying with our pink card, sparking curiosity at neighboring tables: ‘What’s that?’ Are they going to pay with that pink card?” Later, they incorporated flamenco into the brand. Remarkably, the response to the name, colors, and flamenco theme has been fantastic.

Ricardo Salem



Leaves McKinsey, feeling unfulfilled in consulting, and seeks meaningful change in his professional life.

2018



2019

Joins friends Pedro and Guilherme to co-found **Flash**, a company offering corporate expense and employee benefit solutions. They validate their idea through over 100 customer interviews.

2010-2017

Works at McKinsey & Company across various sectors and industries, gaining a solid foundation in business strategy and analysis.



Launch their product, growing from 28 to 400 clients in just three months, confirming market fit and fueling growth.

JULY 2019

Flash continues expanding services, **integrating** more HR and expense solutions with plans for regional growth.



2023

2022

Flash reaches over 900 employees and secures \$100 million in funding to continue scaling. Ricardo is recognized as an Endeavor Entrepreneur.

2020

Close their first investment round, attracting backing from top investors including iFood's co-founders.



A piece of advice for entrepreneurs and the future of Flash

For aspiring entrepreneurs, Ricardo offers a crucial piece of advice: don't chase solely financial rewards.

“The startup journey throws weekly challenges,” he warns. “You’ll need relentless energy, resilience, and motivation. Money alone won’t sustain you. Find a deeper purpose to fuel your passion when the initial financial drive wanes.”

Ricardo isn't preoccupied with an exit strategy. He's laser-focused on the present, reveling in building their vision and transforming their ambitious market goals into reality. For him, the journey, though demanding, has been incredibly rewarding.

“It's intellectually stimulating,” Ricardo reflects. “Recruiting passionate people to join Flash is incredibly motivating. While I'm fully committed, I'm not chained to this role forever. If the board decides the company becomes too complex and a new leader could be a better fit, my ego wouldn't be bruised.”

Ricardo envisions only one scenario for selling Flash: finding someone who deeply aligns with their vision and who, combined with their forces, could achieve even greater success than without them.

The growth spurt wasn't without its challenges. A long-standing tech partner created internal conflict, jeopardizing client service and the company's future. Ricardo, Pedro, and Guilherme, with their years-long relationship with this partner, had to make tough, long-term decisions to ensure Flash's survival.

Fast growth triggered a challenge. Competitors lobbied for legislation that could cripple Flash, causing anxiety across the team. “Unfamiliar territory,” Ricardo admits. “Government affairs were new for us.” Thankfully, their in-house lawyer proved invaluable, helping them navigate the hurdle.

To overcome these obstacles and many more, Ricardo credits the unwavering bond, deep proximity, and close understanding among the three co-founders as essential, particularly in the often-solitary journey of entrepreneurship. Aware of Guilherme's tendency towards anxiety, Ricardo invests time in reassuring him and brainstorming innovative business strategies. Meanwhile, Pedro's more temperamental nature often casts him as the “bad cop” in their entrepreneurial drama, prompting Ricardo to play the role of the supportive ally.

At the end of the day, their close relationship has only been a benefit for this venture.

Ricardo acknowledges the privilege afforded to him by his education at Berkeley. "Privilege does offer advantages... to a certain degree," he reflects. "However, I firmly believe that entrepreneurship transcends the need for prestigious educational credentials." Ricardo recognizes the credibility and allure that a Berkeley or similar university background may bring to one's resume, particularly for U.S. investors familiar with such institutions.

However, he also believes that the most important thing in the end is execution ability. Being able to build something, to implement a project, is the biggest proof that you are valuable as an entrepreneur, beyond going to a great university or not.

"If you create something great, have a good vision and enough traction, you'll probably get funded,"
Ricardo comments.

He is also aware that venture capital firms tend to have biases, and that they will probably prefer to approach profiles like his, able to communicate in their language. English is a very important factor. "It just takes extra grit and effort, and fantastic execution," Ricardo expresses.

For Ricardo, navigating entrepreneurship in Brazil presents both advantages and challenges. One notable challenge lies in the cultural perspective towards failure, unlike the more embracing attitude towards it in places like Silicon Valley. In Brazilian and Latin American cultures, failure often carries a significantly negative connotation. Ricardo emphasizes, "This aspect can impede the development of fast-growing startups."

Another drawback is volatility. "Our economy, whether by inherent nature or due to our position in the global economic landscape, tends to be more volatile. Political dynamics also contribute to this volatility," Ricardo explains. Across Latin America, there's a significant amount of instability within the business environment."

But there are also many positive aspects of entrepreneurship in the Latin American region. Unlike before, access to investment capital for new ventures has flourished. In Brazil, for example, Ricardo points to a significantly improved regulatory environment that encourages innovative companies and products. Additionally, a tech-savvy population with widespread access to technology demonstrates a strong appetite for adopting new digital products, which Ricardo appreciates.



"I believe Brazilian culture embodies a strong entrepreneurial spirit. We're inherently inventive, thriving on thinking outside the box, creating solutions, and tackling challenges head-on," reflects Ricardo. "Moreover, with a massive economy spanning various sectors ripe for disruption and populated by competitors often stagnant in their evolution, the innovation potential is palpable," Ricardo adds that these factors, combined with the availability of capital and Brazil's vast population exceeding 200 million, along with its substantial gross domestic product, underscore the abundance of opportunities waiting to be seized.

And this sets off a cyclical process," he explains, "where investors observe successful sales and movements, as seen with companies like iFood, Nubank, and numerous others. This success breeds increased willingness among investors to inject capital and support further growth, thus perpetuating the cycle."

Ricardo's journey led him to become an Endeavor Entrepreneur in 2022, establishing him as one of the Outliers showcasing the transformative potential of entrepreneurship in Latin America, driving innovation, and enhancing the quality of life for its inhabitants.

TAKEAWAYS

- ✓ **Don't hesitate to leap** if you feel dissatisfied or frustrated in your current situation. Just make sure you evaluate the risks, consider your responsibilities, and involve your family in the decision-making.
- ✓ **Consulting experience can provide you with valuable, transferable skills** that can help you in future career transitions, such as entrepreneurship.
- ✓ **Choose individuals who inspire and complement you as co-founders.** Align shared values and foster a connection that propels you forward together in the entrepreneurial journey.
- ✓ **Prioritize thorough market research and validation of your value proposition** before settling on a business model. This approach expedites the development of a minimum viable product.
- ✓ **Understand that the initial stages of entrepreneurship** often pose more personal challenges than business ones. This calls for thoughtful care and consideration toward economic and familial responsibilities.
- ✓ **Establish clear indicators** to gauge your venture's progress and avoid wasted time.
- ✓ While attending a prestigious U.S. university may appeal to American investors, **the most important factor remains the ability to execute your venture's vision.** Exceptional innovation and execution will ultimately attract investment interest.



RICARDO WEDER

Jüst(o) entrepreneur

Balance and opportunity for change

For as long as he can remember, Ricardo Weder has been fascinated by the concept of justice. It has always been relevant to him. Even as global president of one of the most attractive unicorn companies of the moment, Ricardo still had in his head the idea, perhaps too risky and fanciful, that it was possible to bring about change in more industries, that he had in his hands the opportunity to make the world a fairer place.

During his years living in Mexico and working in Latin America, Ricardo found that there was significant inequality and lack of competition in many industries in the region. In the consumer sector, for example, he noticed that the entire market tended to be concentrated in a few large companies that dominated each country.

Like pieces of a puzzle, the ideas that would give shape to his dream were revealing themselves. But they didn't all show up at once; Ricardo had to put the project together patiently, through trial and error, learning and testing himself...

Could he help make the world a fairer place? He had no way of knowing, but he told himself it was worth a try at least in the industry he was looking to target: consumer.

His vision was to transform the consumer industry through technology and ethical practices.

He wanted to be able to add value to everyone in the business chain, like the stakeholders. He wanted to be able to reach small producers directly and make them get the value they deserved, leaving behind the middlemen who used to act as profiteers.

Soon Ricardo understood that fairness was about balance and equilibrium. They had to be competitive and have good prices, but they could not exploit small producers.

There had to be a balance between each party so that everyone benefited. And although it took him a while to achieve this, Ricardo knew that there was an important opportunity to bring about change by pursuing these ideals. This is how the online supermarket, Jüsto, was born.

Currently, Ricardo is the CEO of Jüsto, a supermarket that operates without physical stores offering fresh produce directly from producers, allowing users to receive their purchases at home without paying

extra for shipping. Jüsto is already one of the emerging leaders in the region, has more than 2,000 employees, in addition to Mexico, operates in Brazil and Peru (where it acquired the online supermarket Freshmart in 2021), and aims to create an equitable and sustainable supermarket model that changes the industry's rules of the game. Its biggest impact has been to help small producers sell more; 65% of its products come from SMEs.

Ricardo has lived in Mexico, Germany, the United States and Hong Kong, speaks Spanish, English and German. He actively supports young entrepreneurs and different causes focused on education. He opened his first business at the age of 20 and reads at least 15 books a year. He enjoys tennis and swimming, is a history, archaeology and philosophy buff, and has been a university professor.

The evolution of its purpose

Growing up, Ricardo had dreams similar to those of any other Mexican child. He said he wanted to be a firefighter or a policeman depending on the day, but he also liked the idea of becoming an engineer. His parents, both Ph.D. 's, passed on his interest in science to him.

When the time came to choose a career, Ricardo decided to study Industrial Engineering at Tecnológico de Monterrey. However, taking an honest look at his experiences and choices, he believes that he ended up going down that path due to a lack of vocational guidance.

"I really had no idea how the business world worked or what the functions of careers were in real life," he explains, stating that he would have made a different decision if given the opportunity to choose his college career again.

The truth is that during his first professional stage, Ricardo had in mind to follow the traditional path. He dedicated his first ten years to a corporate career, but from his youth he was always very interested in creating businesses.

In college, together with his friends, he opened a real estate company, they created a mortgage broker and **tried to build other small ventures, having more or less success with one or the other.**

In all his businesses he sought to leverage the internet to generate customer acquisition and build distribution channels trying to get an element that would differentiate them from the competition. Besides, it was what he could afford, he was always held back by the limited access to capital he had at the time. He lacked the funds to develop his business and take it to the next phase of growth.

After finishing college, Ricardo focused on going to work in places where he could fulfill his goals.

“It’s necessary in order to get where I want to go,” he told himself.

He got a job in large organizations, focusing on consulting and banking services. And although he wasn’t so clear about his goals, what drove him was the concept of being successful.

In the present, he acknowledges that his purpose has become more sophisticated as he has matured in life. “I had a very different philosophy about what success was than what I feel now,” he explains. Currently, her purpose is to be able to generate a positive impact through technology and entrepreneurship, but there is one that is above that, which is her higher purpose:

to be truly happy and for her daughters and family to be happy; that is her number one priority.

During his youth, on the other hand, his philosophy revolved around professional success, hard work, because that is how he had traditionally been taught that he could get better opportunities.

However, Ricardo believes that, although he would make different decisions now, he did what he could with the understanding of the world he had at the time.

“The reality is that you adapt to the opportunities you have and are presented with,” he says. “At the time, I had no knowledge and no one to explain to me how you can play smarter.”

Eventually, Ricardo came to the conclusion that, beyond pursuing a corporate career, he was strongly attracted to the idea of focusing on technology and entrepreneurship. When he decided it was time, he went to Germany to pursue a Master’s degree in Business Administration to prepare for his eventual future as an entrepreneur.

He chose Germany and the University of Mannheim because he found the cost-quality ratio of his studies to be excellent compared to what a master's degree in the United States might cost him. "It was much cheaper, with top-quality professors," he says. She would later have the opportunity to do an exchange program in Hong Kong during her master's degree.

After returning from his stint in Germany, he joined Rocket Internet, a company dedicated to building online startups. There he was assigned as Country Manager at Easy Taxi, an app that allowed users to order a cab and have real-time tracking, much like Uber did in the United States.

"After a year, I decided to quit because I didn't agree with their corporate culture,"

Ricardo revealed in an interview with *Wired*.

He never ended up loving the idea of creating companies by imitating models from other countries and then selling them after two years.

"For me, it lacked purpose,"
he explains.

Then at that time she met Juan de Antonio, the founder of Cabify, a Spanish transportation company that competed with Easy Taxi. She soon joined his team at an early stage of the company.

During his first few months at Cabify, Ricardo was motivated by the talent they had been able to assemble.

In addition, he felt that they had a good timing to enter the transportation market just at the time when Uber was growing, with many investors entering the industry. In Latin America, there were also many mobility and insecurity problems that could be addressed with Cabify's value proposition.

Eventually, Ricardo would end up becoming the company's global president, but he never imagined it at first. Although he has always been a person who is confident in his own abilities, who pushes himself to try to take on difficult challenges and who aspires to go as high as he can, during his time at Cabify and in his other jobs he has sought to be a team player. The important thing for him was to meet the organization's goals, because that way everyone in the organization could win.

Little by little he became an important part of Cabify's growth and Ricardo began to climb the ladder. First as Country Manager in Mexico, a few months later, he was given the opportunity to lead the expansion to more than a hundred cities in Latin America and the Iberian Peninsula. He was then promoted to COO, and later managed to become the company's CEO.

In just over two years since joining Cabify, Ricardo was an important part of the company's expansion from 4 to 120 cities, and they became the first unicorn company in Spain.

He remembers the experience fondly and enjoyed seeing the speed at which Cabify grew despite competing with another giant company like Uber. "I am extremely grateful to have had the opportunity to have been part of Cabify,

its incredible people, its admirable culture and that extraordinary experience is something that I will always treasure and remember with much gratitude" Ricardo was global president of the company, had a quiet life and in many ways had fulfilled his purpose of being successful...

But his sights were still set on Latin America. He knew there were many opportunities to continue bringing value to the region and understood that it was time to try to make his own way.

Birth of Jüsto

Ricardo made a complicated decision when he left Cabify. He had just become a father and had no liquidity, but he had no doubts that it was the right time.

He knew there were big problems to solve in Latin America, so when the time came, he dared to look for a new challenge.

He has always believed that entrepreneurship is a strong pillar for the development of countries in the region, as it generates opportunities for young people and disruption in markets, which often lack competition.

For Ricardo, entrepreneurship could also be a vehicle to break the status quo in the region's industries. "Entrepreneurship can help train people," he says. In the case of technology startups, above all, he believes that people who manage to stand out could overcome the barriers to social mobility that exist in these countries.

Where did you want to aim? The consumer industry. Although he had never worked in it, it was clear to him that it had enormous potential. After all, through its distribution channels, it impacted people from all walks of life and could make a difference in

what represents one of the biggest expenses in every family's budget: the supermarket.

He also observed a peculiar fact: he noticed that in Mexico and in many countries in the region, the consumer industry was highly concentrated in a few players. In addition, Ricardo took a look at how the supply chain worked in the food industry and discovered that it was broken, that it did not work fairly for small and medium-sized producers.

“They (small and medium-sized producers) do not have access to technology or capital to invest. There are many abuses and a lot of intermediaries, who are the ones who capture most of the profits in the field,” explained Ricardo to *Wired* magazine.

Every little detail began to attract Ricardo more to the idea of starting a business in the consumer industry, and he knew that technology was the key. However, it wasn't as if everything was suddenly clear in his head: the idea appeared and, little by little, he worked on it, adding ingredients.

Ricardo believes that iterating around ideas is the best way to start laying the foundations of a business. “It's the same thing you look for with your minimum viable product at the

beginning of your venture: having a key idea, having the ability with your team to iterate very quickly to make it more sophisticated and above all learning, until you reach that product market fit that you can start to scale,” he says.

His vision was clear: he wanted to redistribute the value delivered to users, as it was highly concentrated in intermediaries. He chose the supermarket sector because it was the most relevant in terms of sales volume. But he soon discovered that there was very little competition because it was very complicated to enter the consumer industry. There were problems to solve from multiple dimensions.

“It's not the same to deliver one delivery as to do 10,000, or then 100,000 orders a day,” Ricardo explains. **“You need infrastructure, capital to get started, handling perishables is a complicated issue...”**

Ricardo knew that entering would be complex, but the size of the opportunity appealed to him. In every country in Latin America, there was always at least one supermarket in the top 10 companies.

Besides, he liked the problem he was trying to solve. He would be helping to do justice to an unbalanced industry.

Thus the company's name, Jüsto, was born. Ricardo understood that it was necessary to seek a balance, remaining competitive in the market and in its value offered to the public without exploiting small producers. The concept of fairness was the network that united everything that Jüsto would end up representing.

But they also had problems at the beginning. "At the end of the day, like any relationship, it's about power relations. As we know, under capitalist systems, those with the most power can oppress the other party. So we try to be a counterbalance and do things differently. More than 70% of the products we sell are from small and medium-sized enterprises (SMEs) to which we try to give the best conditions we can. Of course, I would love to be able to give them more value, but it has to be a business for everyone and be functional," he explains.

Today, four years after Jüsto was founded, Ricardo is certain that the depth and complexity of the problem they are solving is becoming increasingly clear to them.

"I'm not going to lie to you: when we started, we had no idea. I didn't come from this industry. In fact, I hardly ever went to the supermarket,"
he reveals.

Jüsto started with a romantic idea that they then had to polish, but they were fortunate to raise capital quickly and without too many setbacks thanks to Ricardo's vast experience managing startups.

There were investors who believed in Ricardo when he had not even put together the PowerPoint presentation of what the business would be. He earned that trust thanks to his track record, his performance history as a professional, and the list of accomplishments he had achieved before deciding to become an entrepreneur. What he did at Cabify was key to his professional future, but it was not the only experience that helped him; his first Silicon Valley investor already knew Ricardo from his previous jobs and from college, and that allowed him to gain his trust.

Thanks to their first investment, they were able to assemble their initial team, although for a while they were not able to solve the problem they were trying to address. They soon realized that it was not enough to have the platform online. At first they had a portal that took items from other sites. If someone ordered a product, Jüsto's staff would go buy it from the supermarket and deliver it to their home. "It was a very shabby thing to do, but it was a pilot so we could learn.

They went so far as to offer a coupon for their friends, family and close contacts. An aggressive strategy, but by now they were not getting orders. They expected to receive at least 200 orders a day from that, but only two or three came in.

“That’s when we got a very strong reality check,”
says Ricardo.

The problem was more complex than they had first thought. It was not such a simple business. Jüsto offered the food that people took home, and over time they understood that the relationship that consumers have with their family’s food is quite delicate. Not everyone is willing to change it or to try other ways of acquiring food or everyday products.

Jüsto had to understand the size of the challenge they faced and address the problem in such a way that their numbers began to improve.

“We are seeing higher and higher retention of our users and higher levels of satisfaction,”
says Ricardo.

At Jüsto they realized early on that shopping in a supermarket was an experience in its own right, but at the same time has many ways of being experienced, which can generate varied feelings. “Shopping for toilet paper and kibble is not much fun. On the other hand, going to the supermarket to buy wine and so on to make dinner with your friends or family... It changes, doesn’t it?” says Ricardo.

In addition, they also discovered that the way people shop for food in each country was different. In Mexico, Brazil and Peru, they have had to adjust to the behavior of their users and the functioning of the ecosystem surrounding Jüsto.

“We had to adapt and understand how we can create clear differentiators, especially for people to try us. We had to work on the value proposition to generate brand awareness and brand positioning.”

Jüsto competes in the consumer industry with many supermarkets, so it is common to think that its ideal public is extremely varied. However, Ricardo notes that they have established different user groups for which there are differentiated value propositions, although the main value proposition is focused on young families.

Ricardo Weder



Pursues an MBA in Germany at the University of Mannheim to better prepare for entrepreneurship.



LATE 2000s

2000s

Begins his career in consulting and banking, seeking experience in large firms. Works on small-scale internet projects aiming to differentiate.

2014

Meets Juan de Antonio and joins Cabify to lead its expansion across Latin America.



2014-2016

Quickly rises at Cabify, leading growth into 100+ cities in LATAM and Europe, becoming COO and later global president.



Cabify becomes Spain's first unicorn. Ricardo leaves to pursue a venture aligned with his values and vision.



2018

2019

Founds **Jüsto**, an online supermarket aiming to positively transform consumer habits in Latin America.

2019-2020

Jüsto raises initial capital and launches operations in Mexico.

2021

Jüsto acquires Freshmart in Peru, expanding its regional footprint.



2022

With over 2,000 employees, Jüsto continues **growing** in Mexico, Brazil, and Peru, positioning itself as a leading online supermarket.



Jüsto and Ricardo's growth

When Ricardo thinks about Jüsto's future, he is excited to think about what they can achieve. The opportunity they have to change how the consumer industry works, he believes, is enormous. "Online grocery adoption in Latin America is at 2% and little more. But there you have China, which has almost 30%, right? So the opportunity is clear." In this sense, Jüsto wants to be there when a higher percentage of users start to change their habits towards online shopping.

Jüsto wants to take advantage of the fact that traditional supermarkets have limitations. The physical world does.

But those limitations are broken when you offer online shopping: the design and the whole experience can be tailored to what you want to achieve. Jüsto is aware of this potential and will seek to make the most of it in the coming years.

In retrospect, Ricardo acknowledges that he was fortunate to find people who initially trusted him and were willing to finance the first vision he had for Jüsto. He assures that, in those early stages, the bet investors make is oriented to the entrepreneur.

"Even if the ideas become complex or still confusing because they are in the processing phase, it is a vote of confidence in the entrepreneur's ability."

Among its investors are Foundation Capital and General Atlantic.

Ricardo knows how the process of investing in an entrepreneur works, he himself had to go through this complex stage of raising capital and has also been an angel investor. And, based on this experience, he reveals that he has not yet been fortunate enough to meet someone whose initial business idea is exactly the same when it finally takes off in their market.

Investors, he reveals, look at two important factors: The first, that in broad terms the idea is reasonable; that there is a sufficiently relevant opportunity and problem with an adequate number of people to make the idea worth pursuing. The second factor is linked to the entrepreneur, to his capacity, tenacity, resilience and leadership, to whether he is prepared to pivot his idea and work on it until he finds something that makes sense.

Ricardo assures that investors, in early stages, also make leaps of faith, but from a different point than the entrepreneur.

Regarding success, Ricardo reaffirms his belief that there is no magic recipe or series of steps to achieve it. Whether as entrepreneurs or raising capital. "Every situation is unique." Beyond what each entrepreneur does, their skills, whether they start their journey alone or with a co-founder, he believes that the great differentiator will always be the ability to know oneself.

"It has to come from something more powerful, something much deeper, it has to come from knowing yourself," he explains. Only by knowing yourself and being humble in accepting your own limitations as an individual will you be able to attract people to the team who will counteract your weaknesses. For him, the entrepreneur has to know his strengths and weaknesses, but he has an important point to make: "The other mistake we often make is to try to make up for weaknesses, when the real power is in the strengths. You should subsidize your weaknesses, shouldn't you? Give them to people who can be better at them. The focus should be on the strengths".

"How many times in life did you think you were very good at something, and then you realize you are really bad at it?"
says Ricardo.

To maximize the success of the venture, he recommends that entrepreneurs be honest with their strengths. Thanks to this internal knowledge, they will be able to enhance the impact they will generate in the external world.

Ricardo follows the philosophy of not being afraid to bring people better than him to his team. In fact, he claims that anyone working alongside him at present would be qualified to become Jüsto's CEO without a problem. "Sometimes, when you are much younger, you want to be the center of things. There is a need for recognition, maybe because of ego, which is normal. Everyone goes through it and it clouds you a lot. When you accept that you may be the founder of the company, but that success depends on a group of people and their construction work, and that the reality is that your weight is much less than you thought... it changes the focus a lot," he explains.

At present, Ricardo's focus is that if Jüsto does well, many will do well, so he brings the best possible people to his team and makes sure he is the person who makes their job easier. He has achieved all this after starting his own path of self-discovery a few years ago, where he has learned to be a better leader and not to listen to bad advice that usually comes from his own ego. Ricardo does therapy and even takes philosophy classes to keep moving forward.

Ricardo suffers from attention deficit hyperactivity disorder, so during his childhood he felt he couldn't sit in a classroom learning. "It was just impossible for me," he says. Along those lines, he had to learn to understand which things he would be good at and which things he wouldn't be good at. For example, attention to detail is not among his strengths. "As you mature and

get to know yourself better, you learn things that take away burdens in life."

Over the years, he eventually discovered the value of knowing how to say no. To achieve this, he explains, it is important to be clear about the parameters of the decisions you agree and disagree with. To achieve this, she explains, it is important to be clear about the parameters of the decisions you agree and disagree with, and to have conviction in your beliefs. She also evaluates by analyzing the opportunity cost:

"For me, every thing I say yes to is potentially less time with my daughters. That's when you start to balance the decisions."

Tips for entrepreneurs

Ricardo assures that the rules, magic recipes or miraculous steps that come from experts in entrepreneurship are useless if the entrepreneur has not developed his self-knowledge. It took him a while to realize the importance of digging deep inside himself, but every fall, blow and failure showed him that. Ricardo has said to himself: "If I had been more humble and had known myself better, I would not have gone through so many things".

Ricardo is aware that the path of entrepreneurs is complicated. However, he does not feel that it is a lifestyle where everything is suffering:

"On the contrary, I think we are fortunate to have the support, resources and time of people to realize a dream or an idea of our own".

Having had a corporate career prior to entrepreneurship allowed him to have more perspective. Although there are many ups and downs in entrepreneurship, he has come to understand that all people, regardless of their circumstances or employment, also go through those moments where they are up and then down. He feels fortunate to be where he is, in entrepreneurship.

In tech startups like Jüsto, you are expected to have rapid growth, which can bring pain and countless problems to the company. Ricardo enjoys and finds it interesting to try to sort through all that chaos, but he also understands that some people find it stressful.

“Difficulties are part of accepting the game,” he says.

On the possibility of failure, Ricardo is aware that in Latin America failure is a culturally complex issue. However, he believes that entrepreneurship, when done for the right reasons, allows you to fail and start again. It gives you other opportunities to pick yourself up, and that, he understands, does not happen in many other areas of life.

He has learned along the way that Jüsto's future no longer depends so much on what he wants to do. When entrepreneurs found their company, it belongs entirely to them, but as it grows, as the entrepreneur gets investors and gives shares to his employees, his project becomes the

project of a collective of people. It becomes less and less about their desires and more about making the best decisions for the benefit of all stakeholders.

Ricardo admits that he would like to remain in the company for the rest of his life, but he believes that he has to be responsible along the way and analyze the opportunities that make sense.

“We'll have to see what happens, but above all, enjoy the journey. Because one thing that this speed of highs and lows does to you is that it doesn't let you enjoy the road, and that's the most valuable thing,” he says.

Regarding educational training and the role of large universities in the United States, Ricardo believes that you can undoubtedly be successful as an entrepreneur without attending them, however, he also admits that, depending on where you attend, you can access many opportunities and networks that facilitate the process of entrepreneurship in the future.

“My criticism of the MBA is that for a year or two, depending on how long it lasts, you see a little bit of every subject. It's superfluous. Because yes, you learn about everything, but then it will be a little bit of everything, and you don't go deep into anything,” says Ricardo.



He believes that the advantages of taking the MBA are access to opportunities and the fact that it is an interesting turning point for those looking to change careers, start a business or take new professional directions in life. Plus, he feels it can be a valuable experience.

“And in the end life is all about experiences,” he points out.

Beyond studying abroad, Ricardo feels that what can make entrepreneurship easier is having an economic safety net. He believes that this makes it easier to afford to fail so that eventually, through trial and error, he can build something that solves important problems.







Ricardo advises new entrepreneurs to identify and delve into the problem long before thinking about the solution. Then, he recommends that they analyze why that problem is important to them, that they ask themselves if it is aligned with their purpose in life.

“Purpose is very relevant, why? Because when, for example, your purpose is only economic, the likelihood of you jumping ship when things are bad are much higher than when you have a deeper purpose.”

In this regard, he also recommends that they identify whether the problem is really important not only to the entrepreneur, but to enough people who can become customers. The next step ends up being to deconstruct the idea they are trying to address, breaking down the problem into small principles that can be studied separately.

In the present, Ricardo tries not to waste energy thinking about the things he could change about his past. He has decided that it does not generate value for him. Although he surely would have studied another career and started entrepreneurship earlier, he assures that there is nothing he can really regret. “I’ve enjoyed what I’ve done so far, and I hope that there are still relevant and exciting things to come down the road,” Ricardo concludes.

TAKEAWAYS

-  **Pay attention to the ideas or concepts that have attracted you throughout your life.** If you can use that concept in your venture to make an impact, you can create a deep purpose that will propel you further.
-  You may have been able to make better choices if you look at your past, but you should **be aware that you made choices with the understanding of the world you had.**
-  **Iterating around an idea is the best way to evolve it into a better version.** As an entrepreneur, you must test your idea in the market and modify it until you get the product market fit that will allow you to start generating great sales.
-  **When raising capital,** an entrepreneur's track record of performance can be a key factor in gaining the confidence of investors.
-  **Consolidated companies are not usually exactly the same as the idea that gave birth to the venture.** All of them, at some point, have frictions or problems, and they adapt to improve their position in the market.
-  **Self-knowledge is the key to being a successful entrepreneur.** It will help you find the best possible people for your team, understand your weaknesses, build on your strengths and find the purpose that will guide you on your path.



SERGIO FURIO

The fighter who overcame all challenges

A new challenge

Sergio Furio's legs were shaking with excitement as he tied up loose ends in his head about the project he planned to devote the next stage of his life to. "Will I be doing something stupid?" he wondered. "Will I regret it if I go ahead?"

Sergio had been living a comfortable life in New York for several years. He was working for a major consultancy, focusing on providing services to some of the most important banking institutions on the planet. What Sergio was about to do made no sense to people who enjoy security and stability.

He was about to jeopardize his professional future for an idea that could go very wrong, and he was as clear as day.

It was his first attempt at entrepreneurship; like many first-time entrepreneurs, the excitement made him forget about all the risks. He was going to move to Brazil - a country he did not know, without even knowing how to speak the local language, to solve a problem whose existence he learned about in a conversation with his wife-to-be, risking his wealth and his economic prospects for the next few years. In the script of any story, all the ingredients of a disaster that could leave a big hole in his pockets were gathered.

The simplest decision at 34 years of age would have been to stay in consulting or go to a bank in New York. For his level of experience, Sergio could secure a more profitable financial future in the corporate world than in entrepreneurship. It was the most logical and secure path.

But there Sergio was, at 34 years old, preparing to take the leap that would change his life, for better or worse. In his head, he felt ready for the challenge; the seed of entrepreneurship had already begun to germinate inside him. He had no children, had worked for more than 10 years for high-level companies and felt inspired to start his new adventure in Brazil.

At that time he did not imagine that in 2012 he would found Credits, the leading online secured lending company in Brazil, which already has more than 2,000 employees and is one of the largest fintech companies in Latin America. After almost a decade, Sergio's project revolutionized the Brazilian market by giving the population access to more affordable credit, which led him to reach a valuation of more than one billion dollars, becoming a unicorn.

Entrepreneurship, for Sergio, was going to be a very different way to develop professionally from what he had known before. If things didn't work out, he could always start from scratch; the idea of failure was not something that haunted him. What he was passionate about was the concept of being able to solve problems that affected millions of people – in this case, the high cost of credit and its inaccessibility to the majority of the unbanked – and he was now on his way to doing just that.

Sergio had always seen himself as a fighter. He was comfortable in the constant struggle to find challenges that would make him improve a little more every day.

**For him, if things
were too easy,
they weren't
fun enough.
He needed
something to
be passionate
about.**

Although the road to getting Credits to \$400 million in revenue was difficult and he went through many obstacles, Sergio proved to be a fighter. For years, he pushed himself to the limit, focused on seeking long-term rewards, was perseverant, resilient and allowed himself to dream big. The learnings he gained as an entrepreneur were life-changing.

Simple origins

Although over the years Sergio has built his life in some of the biggest cities in the world, such as Barcelona, New York and Sao Paulo, his origins go back to a small town in the community of Valencia, Spain, called Sagunto.

Sagunto had barely 20,000 inhabitants, so Sergio lived his first years of youth in a very quiet environment. In his family there did not seem to be an entrepreneurial figure, or at least not of the kind that Sergio became in the future. His father and grandfather were born in a very small town called Albalat, which had even fewer inhabitants,

barely 200 at the time, but together they moved to Sagunto in search of a better professional life.

Unlike Sergio, who always sought new ways to challenge himself, his grandfather and father, after arriving in Sagunto, went to work for a company and stayed there until they retired. In that sense, the paternal side of his family had sought a more traditional path as a way to progress in life.

Sergio's parents were the first in their family to study a university degree, his father being a chemist and his mother a nurse. Sergio grew up in a

middle-class family like millions of others, where the only glimpse of entrepreneurship he had witnessed was watching his grandfather work as a farmer in his spare time.

As was common for most children in Spain, Sergio's dream was to be a soccer player. He never thought he would become an entrepreneur or get to see places like New York or Sao Paulo.

One of the first shocks in his life occurred when the family decided to move to Barcelona. From Sagunto, which had barely 20,000 inhabitants, Sergio went to live in a cosmopolitan city of more than a million and a half inhabitants. At the time it seemed like one of the worst pieces of news he could receive, especially because at 14 years old he was leaving his comfort zone, with insecurities, knowing that he would have to start from scratch, make new friends and move to a different place than the one he knew.

Fortunately, adapting to his new home took less time than he thought it would; he found in himself the strength to overcome uncertainty and understand that any place on the planet could be his home.

At 18, when he graduated from high school, Sergio started studying Business Administration at ESADE, a university in Barcelona. During his studies he focused on marketing because he was passionate about it at the time, but something he enjoyed even more than marketing was numbers. He loved the statistical and quantitative part.

His first formal job in marketing was at Danone, a huge food and beverage company. He worked there for six months, until he realized that, although he enjoyed marketing, there were fewer numbers than he had imagined. True to his nature, Sergio enjoyed the challenge of solving complex problems, so he began the process of applying for banking positions, until he finally got the opportunity to work in investment banking at *Deutsche Bank*.

That was Sergio's first contact with the world of financial services; a sector with which he would always be involved throughout his professional and entrepreneurial career.

He worked for *Deutsche Bank* from 2000 to 2005, reaching the position of Vice President of one of the company's departments, until he realized that he needed to make a change.

Although he had already achieved a good position, Sergio realized that he was becoming more and more specialized in a role that he did not quite like.

He still didn't want to be pigeonholed; at the time he aspired to develop in areas that were a bit more general and strategic in nature. What he did was to stop, rethink what he wanted to do in life and then start testing the market until he found a new company where he could have the position he wanted.

Sergio feels it was a good decision because, in retrospect, it was true to what he wanted, and because it allowed him to get a wider range of options when it came to choosing his destination. If he stayed working for a bank, the natural thing to do if he wanted to change jobs would be to jump to another bank to continue doing similar tasks. But in the consulting area, on the other hand, Sergio would be in contact with many areas and could redirect his path to all kinds of sectors when he felt the desire to do so.

That same 2005 he managed to find a job at the Boston Consulting Group (BCG), one of the most important consulting firms in the world. And, although Sergio had tried to leave the banking industry so as not to specialize in a single niche, he ended up specializing in banks, advising many high-level financial institutions on issues such as strategy, segmentation, technology, marketing, among others.

For four years he worked in Barcelona for BCG until a new opportunity opened up. It was 2008 and in New York there was a high need for talent in the area that Sergio mastered. An internal vacancy to move to the United States was open and he didn't think too much about it: he had already visited this city some years before when he was still a student and he had loved it. In his mind, there was also the popular conception that entering the banking sector in New York was like being at the center of the world.

That was how Sergio made the decision to take his first professional adventure in another country; a bit of a gamble, but one he never regretted.

A man of challenges

However, it was 2008 and the financial crisis was at its peak, which inevitably made Sergio's start in New York harder. In addition, his first year was complicated because he had to get by entirely in English, adding to the cultural clashes and the way of working so different from his experience with BCG in Spain. Once again he was starting from scratch, as he had done when he moved from Sagunto to Barcelona.

Although he had to work much harder than usual during that time, he also discovered that interesting consulting opportunities had arisen in the crisis. It was challenging, but he found himself offering his strategy services to banks in New York; huge entities that had a global impact.

Unlike many professionals, Sergio had not been acting in an overly strategic perspective throughout his career.

He had not decided to move from marketing to finance because he planned to acquire specific skills or to leverage his experience in one area to be better in another. He had only made decisions that he felt like making at the time, always under the logic that he wanted to keep challenging himself. Moving to New

York, for example, also allowed him to achieve a high level of expertise in English, a language that in his future as an entrepreneur was going to be absolutely necessary, but he did not plan it that way.

In this sense, the main project that Sergio took on during his stay in New York was the technological transformation of a bank; it was precisely during this time when he discovered how complicated it was to introduce new technologies in financial systems, and that was one of the reasons that would later motivate him to set up a fintech.

Sergio believes that in life it is very difficult to try to foresee what is going to happen and try to control all the variables. For him, many of the great achievements of entrepreneurs can come from things, learning and experiences that they could never have imagined when they started their professional journey.

If he had not worked with the bank in its technological transformation process, he might have ended up in a different industry and his story would be very different.

For him, there was no road map. Just like Steve Jobs, who took a calligraphy course in college and that led him many years later to create the first computer with multiple fonts, Sergio looks at his past and realizes that his past decisions are what have allowed him to get where he is, connecting the dots backwards. In many cases he hasn't planned how he will use or what he will use the learnings he gains along the way, but eventually he has managed to leverage that experience to give his best possible version in the scenario he chooses for his next professional challenge.

**In this regard,
Sergio offers
an unconventional
piece of advice:
have fun in
everything you
do every day.**

Having fun, for him, is important to stay motivated and keep doing your best. Thinking too much about the future can be an unproductive activity, because we forget to enjoy the present. Enjoying, having fun and challenging ourselves is how we really learn and it is in this tuning that the next great opportunity in our lives appears to us.

The person who inspired Sergio to become an entrepreneur was Pau Sabria, one of his best friends. He is also Spanish and they both worked together at BCG in Barcelona. Pau took some time off to do a master's degree in business and, when he

finished, he decided he no longer wanted to work at BCG. Sergio loved working alongside him, so the news came as a shock to him.

—I'm going to start a startup, Sergio," said Pau, explaining himself.

—A startup? What is that?

At the time, entrepreneurship was not something common. Pau began to explain to Sergio things that seemed very risky, but that little by little managed to catch him. Sergio saw how his friend took a problem, designed a solution and a business plan, and how he reinvented himself when the initial plan didn't work. That inspired him a lot.

Pau was also raising capital, so Sergio met with him many times to understand what he was doing. His friend explained the structure of his team, how he was recruiting staff and also how he had put together his business plan.

**Sergio was becoming
more and more
interested in
entrepreneurship,
which influenced his
decision to invest
in the project.**

It was the first time in his life that he had invested in a company, and fortunately things turned out well for him and Pau. Sergio got back 20 times what he had spent believing in Pau when Olapic sold for \$130 million.

For Sergio, that investment was a way to learn about the business, to be around and see firsthand how startups worked.

At the time, Sergio had the misconception that entrepreneurship was something only for young people. Over the years he understood that he could have started a business at any age, but at 34 he felt that life was passing quickly and he did not want to be too old to start his own path. He had entered a kind of mid-life crisis.

In this sense, little by little the conditions were in place, but there was still a very important ingredient missing for him to dare to take the leap: the arrival of his future wife, Silvia, born in Brazil. She came to his office because she had been assigned a project with Sergio while they were both working at BCG in New York. They were perfect strangers, but soon their lives were turned upside down. Their meeting was a serendipity; they didn't expect to cross paths, but together they were going to achieve enormous things. Sergio admits that Silvia ended up being the reason Credits exists today. The two had a beautiful friendship for a few months until they soon began dating.

At that time, Sergio had already seriously considered the idea of becoming an entrepreneur, but he always said to himself:

“Okay, I want to do this, but what is my value proposition? What will be the differentiating element of my project if I want to create a fintech here in the United States?”

Sergio couldn't find an angle of the market interesting enough to take advantage of it through his own project.

And when he least expected it, the answer to his search appeared in the middle of a completely casual conversation he had with Silvia:

—Did you know that interest rates in Brazil are very high? —she commented. That was Silvia's first contribution to Credits. She explained that personal loans were extremely expensive in her country, and there Sergio found the angle he had been looking for: a structural problem affecting millions of people and an opportunity with a potential profit margin that really appealed to him.

“Maybe we can do things better ourselves,”
he thought.

As a result of that conversation, superficially analyzing the market, he realized that in Brazil most of the houses had no mortgage, so he thought of using the population's properties as collateral: this way he could lower the interest rate and reduce the potential loss of each loan he would grant to his clients. Sergio knew the problem from afar, but he felt it was the perfect time to try his hand at entrepreneurship.

He was going to do it and, seemingly arbitrarily, decided to set up a fintech company in Brazil. When he told Silvia, she thought he was crazy.

-Sergio, you have never been to Brazil in your whole life and you don't even speak Portuguese,” she told him. Those words did not make Sergio hesitate.

-If I were to move to Brazil, would you come with me? -he asked her, when they had barely been dating for three months. Surprisingly, she accepted.

By that point, the thought of being too risky wasn't going to stop him. Like a rocket that had already taken off, Sergio was not going to be able to return to the ground so easily. So he made his first 24-hour trip to Brazil, landing in Sao Paulo, where he held several meetings with people who could join his team. He did not even sleep in the country, but returned the same night. In the end, he had things clear in his mind: he was going to leave everything in New York and build his path in the largest country in Latin America.

Looking back, Sergio is aware that what he did was extremely risky. He acted arbitrarily, not weighing all the risks and not making a deep enough analysis of the market situation he was about to enter. He does not recommend any entrepreneur to start his project the way he did, but he also has a positive message about it.

Sergio believes that when we think about things too much, we may not dare to do them.

In the end, fortune was with him when he chose a large market where the perfect conditions were met to start his business, but it wasn't just luck that made him succeed in Brazil. His willpower and determination were fundamental factors that led him to take advantage of the opportunity he found in his path.

Sergio Furio



Joins Boston Consulting Group (BCG) in Barcelona, specializing in financial services.

2005-2009

Moves to New York to work with BCG, gaining international experience.

2008



2010

Meets Pau Sabria, who introduces him to the startup ecosystem.

2011



Invests in Olapic and achieves 20x return after its acquisition.

2012

After a discussion with Silvia about Brazilian interest rates, he decides to launch Creditas.

2012

Moves to São Paulo to do so and founds **Creditas** (previously BankFacil).



2013

Secures first investment of €500,000.



Creditas achieves unicorn status with a valuation of \$1.5 billion.

2020



DECEMBER 2023

Creditas reaches profitability after more than a decade of operations.

2017

Sergio becomes an Endeavor Entrepreneur.



Birth of Creditas

By the time Sergio made the decision to leave BCG in 2012, startups were seen as very small things, as companies that took themselves too seriously by thinking they could reinvent the world, but would ultimately achieve nothing.

Entrepreneurship was not fashionable. Sergio was aware of that, but he was not discouraged.

In March 2012 he moved from New York to Sao Paulo, convincing Silvia to request a transfer to Brazil. With \$200,000 from his last BCG bonus, Sergio hired three developers, two journalists and started *Creditas* operations, which at the time was called BankFacil, in a small office.

The truth was that Sergio had not made that decision looking to become a millionaire as his main objective: he was taking the experience of entrepreneurship as a new challenge, as a struggle, as an intellectual dilemma where he had limited time to explore a problem and find a way to solve it.

Of course, he was aware that Brazil was a very difficult market, that he would have to learn a new language and that there was a high possibility of failure. The mentality Sergio used to overcome adversity was to think of this stage as an entrepreneur, as if he were pursuing a Master's

degree in Business Administration, since he had not had time to do so during the 12 years he had been working. If it didn't work out, he would simply put his tie back on and look for work in other companies.

His mindset was not, **“This has to work out anyway and I'll do whatever it takes to make it work.”**

On the other hand, Sergio was not very attracted to the idea that at that time people were watching his progress while he was starting out, because at that time being an entrepreneur was not as interesting as it is today. He was not a person with so much self-confidence that he did not feel affected when he was questioned, so that was one of the reasons why he went to Brazil: in this country nobody knew him and that gave him some peace of mind. For him, it reduced the possibility of people thinking he was making a fool of himself by risking a significant part of his wealth.

Creditas' beginnings in Brazil were not easy. Sergio went through a very intense first year where he experienced sleeping problems and endured a significant level of stress. Lack of clarity about what was going to happen and not seeing solutions along the way were some of the things that frustrated him as an entrepreneur.

“There are entrepreneurs who love the feeling of vertigo. That’s great for six months, but then the excitement wears off and you need a clearer direction,” says Sergio.

From being in a comfortable world, with a professional career where he knew what to do and had a clear idea of what his personal and financial future would be in the coming years, Sergio went from being in a strange country, newly married and with a company that had six employees and an uncertain future, because he had no idea when he was going to find the formula that would work.

In addition, Sergio recalls that two factors that played a major role in those difficult times were that the market was less developed than it is today, so there were fewer people willing to invest, and that he also had many problems selling his project to investors.

Sergio was not sufficiently prepared at the beginning. Although he suffered and got frustrated with every “no” he received, he had to learn to understand what investors were looking for in order to adapt his business model and his way of thinking. It was going to take longer than he expected to raise the capital *Creditas* needed to operate, but he was on his way.

There was a particularly dark day in the early days of *Creditas*. Sergio arrived at the office, it was Friday, eight in the morning. Leandro, one of the developers, gave him the news that the product they had had just broken and that all the web traffic was down because of some new Google tweaks. The atmosphere was thick. Desperation was in the air.

—What should I do, Sergio? —asked Thiago, another of the developers.

Sergio lost his composure, allowed frustration to speak for him and simply yelled twice at his partner. Thiago stormed out of the office, furious. Sergio looked at Leandro, feeling embarrassed, and they both left to find their partner.

The three of them met for coffee, and unexpectedly that meeting to calm tensions went on for four hours. Coffee turned to beer, then lunch. They talked about their frustrations and got carried away.

At the end, Sergio said, **“Let’s go home and go back to work again on Monday.”**

When he realized that the \$200,000 he had started with was running out and he still did not have a minimally functional product, Sergio decided to sell the apartment he had in New York. He felt that the solution was very close, so he kept betting on *Creditas*. In 2013, fortunately, he managed to get an injection of half a million euros of capital thanks to Brazilian investors... and the project started to take off.

The entrepreneurial road, of course, is often bumpy. In 2015, they faced a situation where they raised \$3.5 million in funding and grew to 150 workers on the team. As a result of this growth, *Creditas* had a crisis where money was lost, teams were not coordinated and there was no clear strategy.

Sergio recognizes that one of the most difficult things about entrepreneurship is getting the right people together. He didn't do it right during *Creditas's* early years and feels that this took its toll over time. There came a point where he had to stop and put together the best team possible, otherwise he was not going to make progress.

In addition to all this, the entrepreneur must learn to motivate people, create a purpose that inspires them and understand that team members are human beings who can have problems. There are good days and bad days, and you can't live every day as if the world is going to end tomorrow. Patience, especially in the early years, is a must.

Sergio recalls that he wasn't as patient; when he got frustrated by poor results and seeing capital dwindling, the team got frustrated as well.

It was clear what they needed to attack, but they struggled to find the right solution.

When he realized that the \$200,000 he had started with was running out and he still did not have a minimally functional product, Sergio decided to sell the apartment he had in New York. He felt that the solution was very close, so he kept betting on *Creditas*. In 2013, fortunately, he managed to get an injection of half a million euros of capital thanks to Brazilian investors... and the project started to take off.

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Sergio recalls that he wasn't as patient; when he got frustrated by poor results and seeing capital dwindling, the team got frustrated as well.

“You can get into a negative spiral very quickly,” he acknowledges.

Also, as the company grows, the leader has to stop behaving as if they are still in the garage where they started; they have to evolve.

Something that also allowed Sergio to endure all these moments of crisis was his resilience, something he believes all entrepreneurs should develop. According to Sergio, you need to be resilient to realize that nothing is working and still get up the next day to try again.

“You do 100 things and 99 don't work out, but there is one that does work out and that changes your future”.

Successful entrepreneurs live off that 1% of successes that allow them to move forward. Learning this was a shock for Sergio, because he was used to the philosophy of the corporate world where 99% of the time you get it right because there is already a defined path. The entrepreneur must have the mental discipline to understand that it is normal for things not to work out.

In 2017, Sergio became an Endeavor entrepreneur, an important milestone in Creditas' trajectory and growth. In 2020, eight years after opening his startup, the company achieved a valuation of \$1.5 billion, with which it reached unicorn status. For Sergio, this achievement made no difference, nor did it prove to be an emotional moment. In fact, within *Creditas* he always emphasized the fact that the company's value should be downplayed, as it was not something that represented them at all. Sergio's financial goal was never to create a unicorn company.

Many people take being worth over a billion as a validation of the business model, but he believes that reaching this level guarantees absolutely nothing.

One activity that has always helped Sergio to have good energy and get his mind off problems is running.

He believes that sport is a great source of support for entrepreneurs to focus. Even in the times when he has not been able to run, he has felt more tired and less attentive, so for him it is a very important routine.

He also has a series of professional routines that help him to be at his best. To keep his productivity high, Sergio starts the day by reviewing a to-do list where he determines what is most relevant and where he wants to focus. On a weekly basis, he holds a meeting with the different teams, in which he does a sort of stand-up for an hour talking about the issues that need to be addressed in the company; from there he gets critiques and understands in depth what is happening on a day-to-day basis. On a monthly basis, he takes a day to evaluate the teams, and quarterly he meets with the board to reflect on *Creditas'* current affairs.

Creditas reached profitability in December 2023. All along the way, for more than 10 years, the team has been learning, has modified the solutions they offer and has given them the twist they needed to reach this break-even point.

Sergio believes that the importance of formal education in professional and entrepreneurial success has dropped drastically, especially considering that most learning is obtained after leaving university and that there are more and more tools at hand to learn.

“Today I think we have many more learning mechanisms than my grandfather and father had,”
he says.

Sergio has three children and wants them to study as much as possible, but he cannot predict whether he will recommend that they go to college by the time they turn 18 because he believes that the world will be very different in the next decade. Although he recognizes that in college the social component is developed, relationships are built; so if you decide not to go to college, you will have to find a context where you can grow in the relational sphere.

For him, family is a vital element for entrepreneurs. He believes that many of the things you do professionally are meaningless if you are not good on your personal side, if you are not comfortable with yourself, with your relationships and with the life you are creating.

“Family is a pillar, a harbor to come back to. For me, it definitely is.”

Sergio does not categorize himself as a serial entrepreneur. He does not see himself opening and running multiple businesses in parallel. He believes that you have to put so much soul into a venture that he can't imagine working on more than one at a time. Instead, he has preferred to expand *Creditas'* business model and look for new avenues of growth. This is exactly what has happened and he feels more fulfilled.

In any case, if Sergio were to open another company today, he would not use achieving a million-dollar valuation or generating huge amounts of money as an indicator of success.

Just as he did when he started *Creditas*, Sergio believes that the best metric to measure whether he is succeeding is to do something that you are proud of, that helps shape you as a person and the people around you. That was the mindset he used to determine that he was on the right path.

Sergio reads seven to eight books a year. He does not consider himself a spiritual person, but enjoys supporting entrepreneurs on their growth path through his participation in Endeavor Brazil as chairman of the board.

He considers that he has had many mentors in life because he has always liked to surround himself with people who add value.

If Sergio had the opportunity to talk to that version of himself who was just starting out, he would tell him to be patient. Falling into negative attitudes, thinking that we are going to fail, causes more anguish than necessary. In this sense, even though he was a calm-headed person, it was not always easy for him to deal with inner monsters, with insecurities.

For this reason, Sergio also believes that entrepreneurs must find a balance between stubbornness and openness.

On the one hand, stubbornness leads to an inevitable resilience because the entrepreneur is empowered and fervently believes in his idea; however, on the other hand, being open, we can better listen to the people around us and thus have more tools to know if the path we are taking is the right one or not.



His final message to entrepreneurs is to try their best and not look for short-term rewards. Just as he did, it is important to recognize and connect serendipities, those unexpected moments that change everything, and to act always respecting your own values.

TAKEAWAYS

- ✓ **Entrepreneurship can be a great way of learning.** The challenges we face in entrepreneurship provide us with an experience that is difficult to obtain in other circumstances.
- ✓ In life it is difficult to foresee what is going to happen and try to control all the variables. Although it is good to plan ahead, **we must be open to situations that we never imagined we would experience**, because we learn a lot from them.
- ✓ **Many things we have experienced in the past**, however insignificant they may have seemed at the time, are what lead us to where we will be in the future.
- ✓ **Be on the lookout for big opportunities** in small conversations.
- ✓ Companies that grow out of control can enter into a serious crisis. **Growth must be managed very carefully.**
- ✓ As the company grows, the leader must stop behaving as if he were still in the garage where they started their startup. **It has to evolve.**
- ✓ **Entrepreneurs will do 100 things and fail 99.** That one thing they do get right changes their future, but they must be patient until they get it right.
- ✓ **Achieving unicorn status guarantees absolutely nothing.** It is not healthy for entrepreneurs to set that goal as the most important one.
- ✓ Not everyone is a serial entrepreneur. **It's okay to have a single business and dedicate yourself to it.**
- ✓ Beyond money, a great way to **measure success** is to do **something that you are proud of** and that helps shape you as a person.



SERGIO ROSENGAUS

The eternally dissatisfied entrepreneur

Unicorns don't die so easily

On that 2018 afternoon in Manhattan, New York, Sergio Rosengaus observed as time slipped away swiftly, akin to grains of sand cascading through his fingers, while the culmination of over 30 years of his professional journey was at stake.

The clock continued ticking, unfazed, just when Sergio desperately wished time would slow down or come to a standstill. His legacy, company, and the future of thousands hung precariously on the edge of a daunting fall, drawing closer with each passing hour.

Sergio struggled to maintain his composure; yet, time was slipping away from him.

Beads of cold sweat formed on his forehead, and he grappled with the anxiety of an uncertain future as he confronted this crucial moment in his life, high atop the 34th floor of one of the world's foremost banks in the financial capital of New York City, where dreams are meant to materialize...

Sergio had traveled to the United States seeking to refinance through a Public Bond, a strategy that would secure the future of the company he had founded years earlier. He was putting his company's bonds

up for sale, and although this wasn't the first time, the current market conditions made it a sudden-death game, quite literally a matter of life or death.

Selling those bonds was crucial for the financial continuity of his business, so emerging victorious was his only option.

Several hours past noon, the banker leading the sale approached him.

"Look, Sergio, there's no one else interested. I think this deal is done," said the man in a suit and tie, with an indifferent and even defiant attitude. "End this now, there's not much you can do, we're still 10% short of the total."

Sergio had rarely felt such anger in his life.

"This may be just another transaction for you, but for me, it represents the work of a lifetime," Sergio replied, visibly upset. The banker shrugged and left the conference room, his expression remaining apathetic.

Sergio's life began flashing before his eyes. He recalled the excitement of that first day when his company, then just a small venture, began operations. He also remembered his

triumphs, the setbacks, the lessons learned, and the incredible journey he had taken over the years to get to this moment. It was just a matter of seconds when the question he feared most came to mind: "Is this the end?" Gradually, his anxiety and uncertainty shifted to resolve and defiance. The passion for what he had constructed through hard work still burned brightly.

**"This is up to me,
and I won't let
it happen,"
he told himself.
"I've never given
up, and today
won't be the
day I start."**

This winning mindset and the persistence of a determined man were some of the qualities that made Sergio one of Mexico's most influential entrepreneurs. He had been an entrepreneur before the term became popular; he established a venture capital fund when no one else in Mexico had dared to do so, and he founded KIO Networks, one of the largest technology infrastructure companies in Latin America, at a time when the internet was just beginning to grow. He succeeded in making it one of the region's first unicorn companies, with over 1,500 employees across various countries.

45 minutes were left until the deal closed. Sergio secluded himself in a small office at the bank and did what he excelled at sales pitching.

He sold his vision, his ideas, and his dream. He picked up the phone and reached out to friends, companies, and potential investors, personally pitching KIO Networks' bonds to them.

**It was do or die,
so he played his
final hand.**

To this day, Sergio isn't entirely sure of what happened—whether it was his salesmanship and years of entrepreneurial experience kicking in, or just sheer luck in connecting with the right people at the right moment, or perhaps a bit of both...

But he pulled it off. He achieved the unthinkable: securing the \$30 million needed to close the deal, all within those last 45 minutes.

**This is likely
one of the greatest
triumphs of his life.**

Regardless of the speculation surrounding that afternoon, deep down, he knows that the success of that mission was largely a culmination of years of dedication and hard work that had built a remarkable company and a sterling reputation. This is how he and his team ensured KIO Networks remained financially afloat and continued to solidify its position as one of the foremost technology infrastructure companies.

Sergio accomplished to change the banker's indifferent expression into surprise, embarrassment, and skepticism, leaving him speechless and at a loss for words. That afternoon in New York was one of

the most crucial moments in KIO Networks' history, all thanks to the expertise of its founder. However, the story of KIO Networks is far from complete. After all, unicorns don't die so easily.

Finding your path

Sergio Rosengaus Leizgold was born, raised, and built his life in Mexico, successfully creating technology companies and businesses over his more than 30-year professional career. However, his story didn't truly begin in the Aztec land but in Europe, long before computers, the internet, and the term "unicorn companies" existed.

Sergio embarked on his life journey surrounded by strong figures with adventurous and resilient spirits.

His origins trace back to two families who had to flee the Russian Empire during the third decade of the 20th century.

His grandfather on his father's side, fleeing military persecution, arrived in America before turning 20. Like many migrants, his grandfather packed his bags and left behind the home where he had grown up, forsaking his childhood and

homeland in search of his place in the world; or, perhaps, to create a new world for himself.

Although he had hoped to start fresh in New York, he and one of his brothers were denied permission to disembark upon arriving in the United States; only one was allowed off the ship. Such is the nature of serendipity in life, as Sergio's grandfather ultimately found himself in Mexico, his new home, amidst the uncertainty.

Meanwhile, the Leizgold family found refuge in Chile under similar circumstances, fleeing a tumultuous Europe. Many years later, Sergio's parents crossed paths in Mexico by fate's design, giving birth to the man who would later establish one of Mexico's pioneering unicorns, Grupo KIO. It stands as the foremost company in infrastructure, data centers, and information technology in the region, with operations spanning Mexico, Guatemala, Spain, Panama, and the Dominican Republic, achieving unicorn status. As if this weren't remarkable enough,

Sergio has provided support to countless entrepreneurs during his four-year tenure as chairman of Endeavor Mexico's board.

Since he was a child, Sergio's greatest hobby was reading. He used his savings to buy magazines about computers and chips, topics that few understood but fascinated him. From afar, he dreamed of a future involving computers and imagined their endless possibilities.

This curiosity about technology became one of the essential ingredients for his future success.

He left home at a young age to embrace his rebellious spirit and live life on his terms, even if it meant sacrificing the comforts of home. Working as a DJ in a Mexican nightclub while still in high school helped him pay the bills; to this day, music remains one of his passions.

Later on, Sergio briefly relocated to Miami. His life plan involved pursuing a university education. However, like many success stories, he was not exactly the most compliant student. Instead, he decided to leave the university in the USA before completing his first semester and returned to Mexico.

Back in Mexico, at just 19, Sergio realized the importance of hard work in shaping his future, a value deeply ingrained in his family.

He reached out to his uncle, one of his greatest mentors and a significant figure on his journey.

He held his uncle in high regard because he had succeeded in business, was exceptionally hard-working, and was more than just an ordinary entrepreneur to Sergio. He was someone worth emulating, having also immigrated to Mexico from Russia at a young age with nothing and built a thriving infrastructure business in the railroad industry.

Sergio asked him for a job and thus began an adventure that, unexpectedly, lasted for 15 years. He knew things wouldn't be easy, but that was precisely what he needed, someone with a strong work ethic and discipline from whom to learn and forge his values. In that regard, he couldn't have asked for a better teacher. His uncle, an old-school entrepreneur, was known for arriving at his office before anyone else and leaving after everyone. He was nearly seventy years old when Sergio joined the company, yet he possessed so much passion and energy that many twenty-somethings would envy.

"I want you to arrive at the office at eight in the morning every day. If you can't keep that schedule, you might as well not come at all and don't bother calling me for anything," his uncle said on Sergio's first day at work, pointing an inquisitor finger at him.

At that moment, Sergio understood he wouldn't be given any privileges and would have to earn his place in the company through his efforts.

To meet the demands of his responsibilities within the company, Sergio later graduated as an industrial engineer from the Iberoamericana University and, earned a master's degree in finance from the Universidad de las Americas Puebla. The drive to grow and learn had always been there; that was just who he was.

Even after experiencing several triumphs, Sergio's uncle remained tirelessly innovative, continuously seeking new avenues for problem-solving and creation. His mind was a perpetual whirlwind of ideas, constantly exploring how to apply them to improve his professional endeavors and personal life. Sergio remained a dedicated learner, soaking in valuable lessons, principles, and skills from his uncle over the years. These would later serve as the foundation for his journey towards entrepreneurial success.

While working in the family business, he traveled extensively across Mexico, visiting remote locations that most people haven't even heard of.

Their projects involved constructing railways, bridges, and tracks, which led him to develop a strong connection with the infrastructure industry—an essential aspect of his future career as an entrepreneur.

Despite his involvement in the family business, he remained eager to explore new opportunities. When Apple's revolutionary Macintosh personal computer hit the market in 1984, he and a close friend capitalized on favorable prices in the United States. Joining forces, they began importing Macintosh computers to Mexico, birthing Sistemac, a prominent distributor of Apple products in the country by the late 20th century. This venture reignited his passion for technology, but his journey didn't end there.

In addition to his computer distribution endeavors, Sergio played a key role in the digital transformation of printing presses throughout Mexico. He offered guidance to numerous companies seeking to modernize their printing systems using new technologies.

Over time, he became an authority in the infrastructure industry, eventually assuming the role of CEO in the family business, which was already a dominant force in its sector.

Despite his comfortable position, a persistent feeling of discontent nagged at him. **At the age of 34, he made a life-altering decision.**

He departed from the company he had dedicated his entire adult life to, taking a leap of faith during a vulnerable period. As the cornerstone of his family with two young children, he would have preferred to navigate such a significant change under different circumstances. However, in life, we often do not dictate the terms; instead, we must embrace uncertainty and take risks.

At the time, being an entrepreneur wasn't as popular, and for many, it even carried a negative connotation. Entrepreneurs were seen as unemployed individuals who had no choice but to find something to sell to make ends meet. Just as his grandfather had done when he decided to seek a new life on a new continent, Sergio essentially did the same and took a leap of faith.

He didn't have a plan, but he did possess an immense curiosity to prove himself.

Of course, the support of his loved ones was a vital factor in helping him succeed. It's often said that successful entrepreneurs possess strong inner strength and willpower to overcome tough times, but Sergio learned that everything becomes much easier when you have a support system: family and friends who are there for you, offering their hand and backing your decisions. Without the invaluable support of his wife, the situation would have been much more challenging.

During the months he spent searching for his path, Sergio began considering the idea of establishing a venture capital fund, also known as venture capital, with a close friend. This venture was quite different from his previous work in the traditional infrastructure industry. By the late 1990s, launching a venture capital fund focused on Latin America could have represented a significant opportunity for both the Mexican ecosystem and the wider region. However, it also posed a significant risk for him.

Despite this, fear didn't hold him back. He recognized that some individuals at that time had a strong interest in investing in the emerging internet and technology sector but lacked the knowledge to do so. Consequently, Sergio and his partner envisioned creating a platform to educate them about these opportunities and also serve as a means for investors to contribute value to the country.

So, he and his partner crafted their business plan and put matters into their hands for the project, diving in to start securing funding.

One day, they gathered with friends from all over Mexico, individuals willing to invest, and there, armed with nothing more than a business model outlined in a PowerPoint presentation, they shared their vision.

Ncubo Holdings, the name they chose for the venture capital fund, would function as an incubator supporting promising tech companies. It would provide both capital and legal and financial services to entrepreneurs, allowing them to focus on their innovative

ideas to venture. Additionally, it would also provide a means for investors to participate in the incubation of companies without needing multi-million-dollar budgets, as it was possible to do so with very achievable investment tickets. Although the company's concept was still evolving, Ncubo Holdings was already on its journey.

They aimed to raise \$3 million to establish a solid foundation. They presented their project openly to their friends and requested contributions of \$100,000 each.

Despite facing doubts and moments when Sergio questioned the purpose of his efforts, they had successfully raised the \$3 million needed by the week's end. The next challenge was securing matching investments in the United States to ensure the fund's sustainability or risk its disappearance. Convincing foreign investors proved challenging, but Sergio relied on his passion for the project and a clear vision to achieve his objective.

Their mission was accomplished, and with \$6 million in hand, Ncubo was now alive and poised to support aspiring entrepreneurs in bringing their business ideas to fruition. As CEO, Sergio outlined a strategy focused on investing exclusively in technology companies with substantial scalability potential, including payment platforms, food delivery apps, online movie ticket services, and more.

However, along the way, he encountered investors lacking risk tolerance, patience, and resilience to prevent paralyzing under pressure. Some failed to grasp that it was normal for startups to experience a slow start and that it was common to incur losses during the initial months or even years, but ultimately, patience could yield rewards.

Adding to the challenges, the year 2000 saw the bursting of the dot-com bubble. There was a widespread decline in technology company stocks.

Many companies merged, incurred massive losses, or simply disappeared.

Ncubo had been newly created amidst this uncertain landscape, placing Sergio against a major tsunami threatening the business. It was necessary to swim against the tide, and despite the difficulties, the only way forward was to keep pushing ahead. They had to work three times as hard and as smart to try to survive the technological market debacle.

It was during those moments that Sergio tested his resilience, risk tolerance, and his trademark optimism followed by good humor.

Despite the immense pressure and the difficulty in not dwelling on potential setbacks, he knew he couldn't focus on losses or succumb to pessimism, as that could lead to what he calls "operational arthritis" a paralysis that prevents leaders from making decisions when under intense pressure.

Undoubtedly, he had to make tough decisions. Sergio recalls how the fund lost its first million dollars in one of Ncubo's investments: it was a company where they bet everything: time, guidance, and, of course, money. The afternoon he took the decision, he informed his partners. They had to pull the plug as if it were a hopeless patient on life support. With no additional resources, the company would cease to pay its employees, leading to bankruptcy. And so it happened, a very difficult but necessary decision from which Sergio learned to keep his head cold and not become attached to what was invested but to use intelligence to protect what was yet to be invested.

This wasn't the only time he encountered such a scenario. Numerous other lessons were awaiting him, ones that life had prepared... leading to the next significant chapter in his journey.

Sergio Rosengaus

Launches Ncubo Holdings, a VC fund focused on tech companies.

1999



2000

Ncubo faces the dot-com crash, but Sergio persists.

Founds **KIO Networks**, a technology infrastructure and data center firm in Mexico.

2001



2002

Opens KIO's first data center, overcoming the bankruptcy of its first client and pivoting to offer infrastructure services.



Faced a financial crisis in Manhattan, ultimately securing the \$30 million needed to save KIO Networks.

2018



2020s

KIO **expands** into Latin America and Europe, becoming a leading tech infrastructure company in the region.



1984

Founds Sistemac's, a distributor of Apple products in Mexico.

Kio is born

During one of his frequent trips to the United States in search of capital and new ventures to support and propel with Ncubo, Sergio stumbled upon, almost by chance, something that would become one of the cornerstones of his success as an entrepreneur: a data center. It was located in a building in San Jose on the top floor. The facility's owner was an acquaintance of another Ncubo partner, he had begun filling the room with servers, installed an air conditioning system, and even had backup power plants.

“What is this?”
he wondered,
feeling a mix of
excitement and
confusion.
**His instinct told
him it was so
mething worth
exploring.**

The place resembled one of those settings he had seen in a science fiction movie or in the technology magazines he used to buy as a child with his savings. That place filled with black boxes with cables hanging outside of them left him in awe.

Sergio discovered that data centers were buildings or rooms designed to accommodate large volumes of computing and storage, thus prepared to house thousands of servers. Data centers were part of the complex world of infrastructure but in the digital realm.

What followed was a surge of passion. He dedicated himself to studying this business model, to learning and becoming an expert in all things related to data centers because he saw an intriguing business opportunity in them and because he had always been passionate about emerging technologies. Discovering that the websites visited daily on the Internet were often hosted in these computing centers fascinated him. His eyes sparkled at such a revelation, and so did his entrepreneurial spirit.

**He had played
a significant role
in developing
infrastructure
for progress
through the family
business, and
that's exactly
what this new idea
was all about.**

Despite lacking experience in this new field, he was confident it was the right path for him. Recognizing the parallels between his past work and digital infrastructure only fueled his desire to bring this idea to life.

He will create expansive highways and warehouses to facilitate the seamless flow of data, thereby aiding in the continued expansion of the Internet. Additionally, he foresaw a steady rise in the demand for data consumption each year, making it a thriving industry ripe for growth.

While Sergio had started out working in traditional businesses, this had allowed him to acquire skills and a long-term vision, which were assets for tackling this new venture with greater confidence. Now, he was taking steps into something truly innovative.

Sergio began drafting his business plan while still leading Ncubo. He had decided that building data centers was what he wanted to do, so he delved into extensive study.

For months, he immersed himself in reading and researching the topic, attending conferences, and discovering that in Mexico, there was practically little infrastructure for data centers.

He traveled to the United States to recruit some specialized engineers to join his team and continue learning about the subject. Curiosity led him to visit other larger data centers and investigate other players in the market, and gradually, with each passing day, he found more and more reasons why he should venture into a project like this.

This search bore juicy fruit. He found in the United States someone who would become a great mentor because he had extensive experience as a data center designer. Soon, they became friends, and it was this designer who helped him solidify his ideas.

“What do I need to have a data center in Mexico?” Sergio asked in that first meeting. The conversation lasted 4 hours, and everything seemed to be taking shape.

His mentor explained that he needed a large space that could guarantee a continuous flow of power and had no connectivity issues.

"If I manage to get all that, will you help me design one?" Sergio said, very confidently. The specialist agreed, and eventually, he would become his main technical advisor for many years.

Not long after, Sergio found himself soaring above Mexico City in a helicopter he had rented, searching and analyzing the landscape for the ideal spot to build KIO's inaugural data center the name his venture would adopt later. Despite days of honing his business strategy and touring various locations that failed to impress, Sergio stumbled upon a parcel of land in Santa Fe that seemed to embody all the criteria his mentor had advised.

Approaching the only building on the site, Sergio's knocks went unanswered. He waited patiently for hours, yet no one appeared. Undeterred, he persisted in his visits, repeatedly returning over the next days until, at last, the night watchman emerged to guide him to the property owner.

He was led to a building near the plot and taken up to the top floor, where a meeting room awaited. It was there that he met someone who would play an important part in the trajectory of his business:

"Listen, I gather you own the land over there," Sergio began, gesturing out the window to the location earmarked for his inaugural data center. "I'm keen on leasing it for a venture."

"Really? And what sort of venture might that be?" the landowner inquired with curiosity.

In a matter of minutes, Sergio swiftly put together a presentation explaining the concept of data centers, while the man listened with eager anticipation.

Little did Sergio know as he stepped into that office, he was about to secure a valuable ally.

"Well, I'm open to leasing you my property, but there's a condition," the man revealed.

"And what might that condition be?"

"That you allow me to be your business partner," he proposed with a big smile on his face.

As it turned out, the gentleman had been supplying data center equipment in Mexico for many years.

He had access to power plants, resources, and a wealth of expertise on the subject. Exiting that meeting, Sergio secured a site for his data center and additional capital and gained a new business partner.

Coincidence? Perhaps, but Sergio firmly believes that you create your luck by knocking on doors, especially those that initially seem reluctant to open. And so, the project began. He rallied his partners, and they dove into the construction of their first data center in 2001, not without challenges to overcome. During the construction process, the 9/11 attacks happened. All the American designers, engineers, and experts brought to Mexico to support the project found themselves unable to return to their country. Sergio welcomed them into his home for several days, and this experience brought the team even closer together.

Weeks later, Sergio experienced another “stroke of luck.” He was allowed to sign his first contract with a Brazilian company when they had only completed 25% of the project. The contract stipulated that the construction needed to be ready by January 22, 2002, but the team had estimated that everything would be finished by March.

Nevertheless, Sergio went ahead and set off a race against the clock that would push him and his team to their limits in the months ahead, especially during the Christmas season when the equipment finally arrived in Mexico. The decision brought significant stress, but Sergio remained hopeful and once again tested his ability to handle pressure. The thing is that running a data center was far from simple. Throughout January, they had to undergo a rigorous process of facility preparation because once a data center was up and running, it couldn’t be shut down, never. Despite initially feeling overwhelmed by the tight deadline, the team completed the data center by January 21, 2002. From this challenging experience, Sergio reaffirmed what he already knew.

“You always say yes, you agree to the deal with your clients, and if you don’t know how to do something, then you learn it. Because this leads to growth. You might stumble, but you’ll gain a lesson for life, and besides, you’ll never discover your full potential until you challenge yourself and say yes to opportunities. That’s how you raise your standards.”

But life has a way of testing you repeatedly; unfortunately, the Brazilian company that had hired Sergio went bankrupt, leaving this significant business opportunity suddenly uncertain. However, for an entrepreneur like Sergio, the story is never over; there’s always something that can be done. He opted to reach out directly to the Brazilian company’s clients.

“Hey, I understand that we’re hosting your services on our servers,” Sergio mentioned in a conversation with the company’s CEO. “Have you been informed that the Brazilian company that provided you with the space has shut down?”

“Yes, we’re aware, but we’re still seeking a new platform to migrate our services,” the director responded.

“Listen, I have a deal for you. While this isn’t our main focus, your company is already established here, and we have numerous technicians who can support your needs. I’ll maintain the same pricing as the Brazilian team, but we’ll handle the operations. Besides, the technicians who were maintaining your services are now available since they don’t have a job, so I can bring them on board if we seal this deal. They’re actually right here with me. If you agree, they’ll join my team.”

That’s how Sergio, with limited experience selling services, landed his first client. From then on, the company opened a new division dedicated to services. The clients themselves encouraged Sergio to create a new area for his business. Here, Sergio learned that a key to successful entrepreneurship is being attentive to the needs of others that you are capable of addressing.

Every entrepreneur must embrace flexibility when there’s an opportunity or a new need to be met.

Although it seemed like Sergio had overcome all obstacles, what few knew was that he was facing a much more difficult personal battle than launching any new project. Just on the day KIO Networks was inaugurated, his mother passed away in the early hours of the morning after suffering from severe cancer for several years.

That was one of the toughest moments in his life. It presented a complex paradox: while grieving the loss of his beloved mother, he

also had to muster composure to oversee the inauguration of a significant dream in the middle of all the pain he felt. Sergio found himself torn between emotions, unsure of where he should be. In those moments, maintaining optimism, although there was pain, was essential, a feat not everyone could manage. Despite the immense difficulty, time eventually healed his wounds, and many of his accomplishments, particularly those at KIO Networks, are a tribute to his mother.

Expanding

One of the keys to expanding your company is first expanding yourself as an individual. Sergio has always understood this principle, considering it integral to his philosophy. As he progresses as an entrepreneur and continues learning by attending courses at Harvard, Stanford, and Wharton, KIO follows suit and progresses, establishing new data centers across Mexico and branching out into Central America, the Caribbean, and Europe. Moreover, they now offer services encompassing mission-critical applications, cybersecurity, and information technologies. Presently, KIO boasts a team of over 2,000 systems engineers, positioning itself as one of the largest companies in the entire region.

A pivotal element in KIO's growth was its marketing strategy. Initially, this aspect wasn't given much emphasis, but Sergio soon realized they were competing against companies with substantial marketing campaigns and budgets.

He realized that KIO also needed an advertising strategy, but it couldn't mimic its competitors' approach. The competition's campaigns lacked appeal and were quite dull: they

merely showcased server photos and offered services without any creativity to engage customers. So, he met with an advertising professional, now a close friend, and when asked what he wanted to achieve, Sergio responded:

“Something entirely different from what my competitors are doing.”

He envisioned KIO as a brand that exuded trust, approachability, commitment, dynamism, youthfulness, capability, agility, and resilience. Whether or not clients comprehended the intricacies of data centers or computing facilities

didn't matter; his goal was to forge an emotional bond with businesses, assuring them that their data and systems would be securely safeguarded and expertly managed at KIO.

Despite limited funds, the campaigns proved successful. Since then, each year has seen the implementation of fresh, innovative, and bold advertising strategies. Examples include enlisting the legendary sprinter Usain Bolt and naming him as the company's *Chief Sprint Officer*, as well as recruiting the talented actor Peter Dinklage, renowned for his portrayal of Tyrion Lannister in *Game of Thrones*, to be the face of a clever campaign.

The eternally dissatisfied entrepreneur


Sergio firmly believes that entrepreneurs need to prepare, grow, and educate themselves to be ready when opportunities arise. With technology and society advancing at an ever-accelerating pace, everyone needs to learn something new each day; otherwise, staying competitive becomes difficult.

Keeping knowledge current is a personal responsibility for both entrepreneurs and all company personnel.

He believes the best entrepreneurs can come from any background or social setting. They don't have to be graduates of prestigious universities like Harvard or Stanford, though he acknowledges that these institutions provide incredible opportunities for exposure, networking, and learning directly from top-notch teachers about various business models.

For him, the real key factor that enables entrepreneurs to overcome obstacles is their passion for their work. He had the intelligence and good fortune to connect with something he loves: contributing to societal transformation through technological advancements, creating value, and generating jobs. This passion has been a cornerstone of his success.

Today, Sergio takes pride in having a highly skilled team that has supported him through every success. He believes it's crucial to have a mentor, partner, or friend to help during difficult times, as the role of an entrepreneur can often be very isolating. He found this support in partners who have become like family to him. Many of his colleagues have been with the company since its creation.



He attributes much of KIO's growth to their strong work culture, which makes work enjoyable, fosters creativity, and encourages innovative problem-solving, thus avoiding the notion of the office as merely a place of duty.

Sergio believes that entrepreneurs infuse their companies with their personalities and is convinced that a culture that promotes leadership, encourages challenges and opportunities, supports fun interactions, and nurtures team growth is vital for success, especially in the competitive tech industry. Attracting top talent is a priority for any business leader today.

“Be eternally dissatisfied. The moment you become even slightly complacent; it will show in everything you do. Always strive for more, whether it’s in knowledge, talent, wealth, or achievements. If you’re eternally dissatisfied, you’ll always aim for more,”

Sergio leaves as a final message to all generations of new entrepreneurs.



TAKEAWAYS

- ✓ **Curiosity about solving new problems is one of the most important attributes** of an entrepreneur who instinctively seeks new ways to meet needs.
- ✓ **Reconnecting with things you were passionate** about as a child or have always been passionate about can be a great way to identify your entrepreneurial path.
- ✓ **As an entrepreneur, you must get used to being perpetually uncomfortable.** It's essential to develop a high tolerance for risk and learn to stay calm and cold-headed under extreme pressure.
- ✓ **Having a support network** of loved ones, friends, partners, and close associates is crucial because they provide emotional support during tough times, helping you stay strong and focused.
- ✓ Don't dwell on what went wrong or what was lost, don't focus on all those elements that pressure you, as it leads to "operational arthritis," a paralysis that prevents leaders from moving forward, making decisions, and getting back on track. **It's necessary to have the mental strength to let go of past problems,** overcome them, and focus on creating the best possible future.
- ✓ **Your customers give meaning to your business.** If you're going to be an entrepreneur, you must pay attention to all the needs you can fulfill for them, being flexible and adapting to the market changes and new demands is crucial
- ✓ **Never lose your curiosity and drive to keep learning.** Entrepreneurs must be self-taught, becoming experts in their industry, and to do so, they need to surround themselves with the best—experts, and mentors, and study every day. Taking courses that help you grow as a person and leader is one of the best strategies to grow your business. Personal growth usually precedes business growth.
- ✓ **Always, always, be eternally dissatisfied.**



SIMÓN BORRERO

Latin America's "super" entrepreneur

Faith moves mountains

Simón Borrero recalls one of the darkest moments of his entrepreneurial journey. They urgently needed to close an investment round because his company, Rappi, to which he had dedicated countless hours of effort, was moments away from running out of money.

“There were only three weeks of cash left in the company,”
says Simón.

They had approached more than 40 investment funds, but no one seemed interested in financing the company. They were in a terrible crisis and Simon was deeply worried about the team behind him.

“500 people at the time had left their jobs to come and pursue this dream,”
he explains.

And although they were working hard and getting up every day looking to turn things around, Simon had every excuse in the world to go under.

But he stood firm. Simon took his leadership and the responsibility he had to his team so seriously that he decided he could not fall apart in front of his people. He knew there were endless reasons to complain, cry and lose control, but he knew he couldn't afford to. Every day of that crisis, Simon tried to pull himself together, take a deep breath and focus on getting out of trouble.

And there was something in him that prevented him from succumbing. It was a certainty, a conviction.

“I felt a very strange thing. I felt that there was no chance that Rappi would cease to exist. I knew that this was going to go ahead,”
explains Simon.

In moments of uncertainty, he learned the power of faith.

“When I was a child I didn’t understand very well the saying: **‘Faith moves mountains’**. **I listened to it and didn’t understand it.**”

But in that situation he discovered that, whether it was God’s work or man’s own strength, faith really could move mountains. That conviction, Simon explains, made two things happen: the team worked so hard that they made things happen, and they also ended up getting some help from the universe in one way or another.

It didn’t take Rappi long to get an investment. Simón says that a few days later they received a call from one of the best investment funds in the world and evaluated their offers. With that, they were able to continue building one of the most inspiring and beautiful stories of entrepreneurship in Latin America.

Today, Simón is the CEO of Rappi, considered by many to be the first Latin American superapp, a company well recognized by the public, as its logo can be found in thousands of restaurants and on the bags of delivery drivers. The Colombian company began by offering food delivery services. However, it has scaled up to become a platform that allows its users to solve different day-to-day problems, such as the delivery of supermarket products or cash, and financial services such as opening bank accounts and assigning credit cards.

Since its founding in 2015, when they covered a few blocks in Bogota, Rappi has managed to be present in 9 countries in the region and in more than 250 cities.

In 2018 they reached a valuation of more than 1 billion dollars, becoming a unicorn company. **And, in 2021, they raised that valuation to 5.25 billion dollars, becoming one of the three most valuable unicorns in Latin America.**

Simón has lived in the United States, Spain and Colombia, his native country, reads or listens to approximately four books a month, speaks Spanish, English and Portuguese, gets up at seven in the morning, started his first business at 17, considers himself a family person, is quite self-critical and takes an ice water bath when he wakes up to get active and be prepared for day-to-day problems.

A boy who believed in himself

Simon recognizes that much of his identity is tied to his entrepreneurial mindset, which permeates many aspects of his life. He tends to see problems as opportunities, feels he needs very little to be happy and tries to live with gratitude. It is through this feeling of gratitude for the opportunities he has had that he seeks to have a positive impact on the existence of others.

His entrepreneurial mindset is also linked to building a company from scratch with growth as a leader, a person and an entrepreneur.

In addition, the feeling of progress, of moving forward a little more every day, is fundamental to him.

And he has worked to try to bring this way of understanding the world to Rappi. For Simon, the DNA and entrepreneurial culture they have at Rappi is the key to many of their achievements, and is what has allowed the people who come to work at Rappi to transform and grow faster than they do at other companies.

“As a sign of that, well there are people at Rappi today who have achieved exceptional things, and

there are also more than 150 companies that have come out of former Rappi workers. This shows that our culture brings out the best in people,” says Simon.

But Simon is not only defined by his entrepreneurial side. He considers himself a tremendously family-oriented person, and believes that happiness is tied to three elements: meaningful relationships, meaningful work and the pursuit of becoming a better person. Principles he adopted from billionaire Ray Dalio.

“And I think we’ve tried to bring those three principles to Rappi,” he says. Simon believes that at Rappi they have built sincere friendships, working hard and pushing each other to move forward, but with a lot of affection in the background for all the difficulties they have gone through together. About meaningful work, he also feels that what drives the people who work at Rappi is not just making a few dollars, but the idea of transforming the region.

“It’s a beauty when you hear the team really concerned that Rappi’s people have better conditions and that there are opportunities for many more people.”

Now he is focused on Rappi and tries to direct all his creativity to create new lines of business that come out of Rappi as a core, but in the past he was searching for a while for what was his great mission. In this search Simon created other successful companies before starting his way in Rappi, that's why he is what is known as a serial entrepreneur, because he has already created other startups and made them grow.

When it comes to starting a new project, Simon thinks of multiple business options and tries to fall in love with them. With each idea, he tries to understand if he can really do something that people value ten times more than what currently exists.

“Something that is objectively much better than what exists today, because otherwise it's not worth starting. It is so difficult to make a venture that, if you are going to start with something that is more or less the same as others, then you are never going to make something great,” explains Simón.

He tries to fall in love with ideas and then quickly begins to fall out of love. In this sense, one of his tips to young

entrepreneurs who have an idea and are eager to execute it is to wait a few weeks, to analyze their idea from every possible angle.

“If after many weeks they are still sleepless, wanting to get up and build what they are thinking... Then it's a great idea,” says Simon.

Otherwise, if the feeling is not as strong or lasting, he assures that it would be a bad choice to bootstrap their venture because they won't be able to sustain the energy for the next few years.

Looking back at Simon's childhood, he acknowledges that it was always clear to him that he would end up being an entrepreneur and that he was not going to work for any other company. His own father was an entrepreneur and his family was full of them, so he never had any doubts about what his future would be. “Yes, it was a little bit natural because there was always that desire to build something, that curiosity to create something that really added value.”

Simon believes there are many ways to be an entrepreneur. “You can do it through science, through art and music, or through companies,” he says. He would love society to encourage children to become entrepreneurs, because he believes that the system, in its

eagerness to protect them, leads them down a safe path that ends up preventing them from developing all their capabilities.

He recognizes that he was very lucky during his childhood and his adult life to be surrounded by people who helped him believe that he was made for great achievements. He has seen how many people have extraordinary dreams as children that later end up fizzling out as adults because they lack that self-confidence that they can build something important. Those children's dreams land or crash to the ground when they get older.

“Believing it is not saying it in front of a mirror. It is believing it at a cellular level, with a very deep conviction. That conviction, at least for me, would not have come on its own. I was lucky to have people who made me believe in myself at the beginning,”
says Simon.

He always remembers how once he was with his aunt telling her about a project he had in his head, and she said, “Look, Simon, you’re for something bigger than that,” with a powerful conviction that even he didn’t feel. He has also been driven by his partners, Felipe Villamarín and Sebastián Mejía, who have always believed that they have the capacity to build something huge.

Simón also believes that one of his keys to keep thinking big is having the good fortune to achieve goals that at the beginning he thought were very difficult to achieve.

“When you achieve them, you believe you can go for something bigger,” he says. One example of an entrepreneur who has overcome extremely difficult milestones is Elon Musk.

“There are people like Elon Musk who made a payments company. A great one, but just a simple payments company at the end. He finishes making it and says, ‘Man, I believe it! Now I’m going to do something bigger. And so he moves forward. Now, he really believes he can go to Mars. As much as some entrepreneurs like to say that this was Elon’s master plan 40 years ago, I don’t think that’s the case. You’re a kid and you’re going to grow up, and I’m sure Elon Musk didn’t really believe he could go to Mars 30 years ago,” he says.

Simon also believes that one of the motivations for continuing to reach new milestones is that entrepreneurs are fascinated by challenges.

“We like to get into tough business and go through it. Because that gives meaning to what we do. You celebrate a tough goal much more than a goal that was given to you.”

As they
move forward,
Simon explains,
**entrepreneurs begin
to feel that they can
actually do some
good in the world.**

As a result of that feeling, they question what they want to do with their lives: whether to go on vacation and buy a yacht, or dedicate themselves to creating something that can benefit millions of people in multiple dimensions.

**“There you also
start to grow up and
become less selfish,
and say to yourself,
‘Man, the world
doesn’t gain anything
if I’m sunbathing on
a beach, but it could
gain a lot if I’m going
through different
challenges and
building value
for society.”**

In addition to this journey of personal growth, there is a third factor that, at least for Simon, ends up being important: the legacy, what they will leave to the world. As a father, Simon wonders what person he wants to become so that his children will follow or see his example. “My daughter will be, I think, much prouder of me if I keep working and building things for the world than if I spend my time sunbathing and vacationing,” he says.

In this sense, Simón considers that the path of entrepreneurs starts with a stage where the fundamental thing is to solve basic needs, as occurs with Maslow’s Pyramid, but then transforms into something that gives meaning to their lives, where they serve their fellow men and women and grow in the spiritual realm.

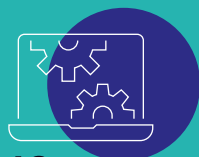
**“You have
the opportunity to
impact many people
with your products,
but also with your
leadership to the
people you work with
on a day-to-day basis
on your team.”**

Simón Borrero



Launches first venture in translation services and freelance work.

2005



2010

Founds Imaginamos, a software studio that grows to over 300 employees.



2013

Creates Grability, a platform for online grocery shopping.

2000s

Studies Business Administration at Universidad de los Andes, Colombia.

2015

Launches **Rappi** in Bogotá as a delivery platform. The company quickly expands across Colombia.



2018

Rappi becomes a unicorn, reaching a \$1 billion valuation.

2021

Rappi reaches a valuation of \$5.25 billion, **becoming** one of LATAM's most valuable startups.



2023

2023 Rappi continues expanding to 9 countries and 250+ cities, adding new services in fintech and ultra-fast deliveries.



Rappi's birth and Simon's growth

Long before the idea of creating Rappi popped into his head, Simón did a degree in Business Administration at the Universidad de los Andes in Colombia. During this time, Simón was already thinking about what businesses he could create, but he was faced with the constraint of not having enough capital.

He thought: **“What business can I start with 50 dollars?”**, he revealed in an interview with François Pouzet, a Chilean youtuber famous for his interviews with entrepreneurs.

When he was starting out, he thought of his projects from trial and error, from inexperience, without a method. He started with a translation company for clients in the United States, and did them from Colombia. In addition to that, he bought domain names and resold them, and did other small jobs after school.

“They were very freelance jobs, which didn't amount to a business. But I liked it, I enjoyed it much more than university,” he explains.

He went so far as to hold a raffle, tickets for which were sold at the university. Then, he thought of a business to offer alcoholic beverages for students at their college parties.

“Why don't we start a company that sells liquor with motorcycles that take them super fast?” he said to himself. That's where he ended up creating something similar to what Rappi would end up doing in the future.

Shortly thereafter, she opened a modeling agency that did not end up working, where she created an online platform to offer her services. As a result of that experience, the desire to learn programming arose, so she started taking night courses to grow in that direction.

Later, Simón would end up creating *Elecciones.com.co*, a platform where Colombian voters and election candidates could interact with each other. He would later develop Ventrevista, a tool that sought companies that could optimize costs and reduce the time of their recruitment processes. He worked in the latter for 4 years, and managed to expand the company from Colombia to Spain, Mexico, Guatemala, Brazil and Panama.

His first formal company was *Imaginamos*, which grew out of his beginnings in programming. *Imaginamos* was a software studio that grew to more than 300 employees, involved in more than 3500 digital projects that included the creation of websites, applications and online platforms.

In 2013, while Simón was still working at *Imaginamos*, the idea of creating a platform that would facilitate the online purchase of products in supermarkets came up. That is how *Grability* was born. Simon and his partners, Felipe and Sebastian, noticed that there was a problem with the way supermarkets had designed their online platforms: they were mimicking Amazon's model. The menus were too complicated for simple everyday shopping. *Grability* sought to understand their users and improve the shopping experience. Eventually, they ended up connecting with huge supermarket companies, such as Walmart or El Corte Inglés.

But there was a major problem with the business model. After a purchase was made, it could take days for shipments to reach users' homes. It was a frustrating situation for both customers and Simon, but he turned that problem into an opportunity. *Grability* sought to create a system that could deliver products in less than an hour, called *Rappi*, which didn't quite convince the company's partners. They launched it as a pilot in Bogotá to try to gauge how successful it could be... and the rest is history.

Rappi has grown at a dizzying pace, so Simon has also had to transform himself and try to grow to scale at the same speed as his company does. **"If you start to stay, the company senses it and starts to stay too,"** he explains.

In this sense, Simon has resorted to different practices to boost his growth as CEO. One of them is reading: he consumes at least one book per week. In his downtime, such as when he is in his car or training, he prefers to listen to an audiobook rather than music. "I don't read fantasies, but personal growth, business and leadership. That has served me well, without a doubt."

On the other hand, Simon has sought to receive feedback from the people around him. He pursues feedback and often demands it, because he knows that it is a fundamental element to improve as an entrepreneur.

Self-criticism is the other element that helps him regulate himself. He explains that he has been self-critical since he was a child. "It's both a blessing and a hard thing to live with, because all day long you're criticizing yourself." Constant internal criticism, says Simón, sometimes prevents entrepreneurs from feeling at peace, but it is key to their growth and they have to know how to handle it so that it doesn't fill them with stress.

Because entrepreneurs must also have self-respect and understand that they were not born and learned. "I don't have to know how to run a 6,000-person company from one day to the next," says Simón. It is thanks to this compassion for themselves, along with self-criticism, that entrepreneurs manage to emerge and find their place in the world.

**"On that path,
it's also very
delicate not to
lose the essence,
what makes
you different.
Because you have
to evolve, but
you don't
necessarily have
to change,"
says Simón.**

During dark moments, self-criticism can become destructive to the point where the entrepreneur ends up doubting himself. Simon explains that they should not get to that point, but at the same time it is

necessary to maintain the humility to keep learning from all the people around them, to have the strength intact and the ambition for all that they can build. "One cannot let that strength go out."

Of course, Rappi has gone through crises that are seemingly impossible to overcome. In those moments, to withstand so much stress, Simon thinks first of the responsibility he has to his people as CEO and leader of the company. He realizes that he can't afford to lose his composure or break down emotionally, because that would end up bringing his team down. "Not having the luxury I think helps human beings sometimes," Simon explains. From his perspective, not "having the luxury" allows people to bring out their inner strength, and to avoid complaining and drama.

Faith is another element that has helped Simon overcome uncertainty. He doesn't have the conviction or faith that he will always be the best leader, but he does feel it with everything that has to do with Rappi.

**"I think the
universe has shown
us that when
you do things with
love and put
so much dedication
into it... When there
is something that
is really generating
so much value for
people, eventually
it will work."**

It's about changing your mindset about problems and stop seeing them only as something negative,
Simon explains.

The philosophy that problems are great opportunities is another of Simon's pillars. In this regard, he says that reading the book *The Shoe Dog* by Phil Knight, the founder of Nike, helped him understand how similar all entrepreneurs' stories are. The common thing when thinking about big companies, Simon says, is to believe that their path was perfect and simple, but as he read *The Shoe Dog* he couldn't help but compare the story to what he himself experienced at Rappi, and to what all startups have surely experienced at one time or another.

"It's the story that every six months you're going to go bankrupt and make a mess, but with a lot of hard work and the luck of having a very crack team, they pulled off the impossible,"
says Simón.

Phil Knight telling his and Nike's story after turning 70 is a great example of how problems are opportunities. "The recounting of his life is precisely all the difficult things he overcame," says Simon. "So when you get a difficult thing in life, you can say, 'Well, this is an opportunity to have a good story to tell the grandkids,' or 'this is a good opportunity to go through an adventure.'"

Rappi's story began at a time when new technologies appeared, with devices like the iPhone making it possible to use a GPS application to make routes. Simón and his team, who during that time were creating software and working in technology companies, analyzed the situation and asked themselves:

"What can we do now that we couldn't do before without this technology?"

Other large companies in the past were born precisely when some new technology emerged that made it possible to offer a service to the user that was previously impossible. Simon believes that every new advance is a doorway to the birth of a world of companies with products or value offerings that were not viable in the past.

"Before being able to create and follow GPS routes, Uber would not have existed, and neither would Rappi," says Simón. He began to fall in love with different ideas when this technology appeared, but the one he liked the most was to provide opportunities for people in dense cities who had free time or the desire to make extra money, so they could transport products from one place to another in minutes.

“Rappi started out thinking about things that could be brought to you in ten minutes,” he says, but they didn’t manage to be that fast during the first few years. He reckons it took them eight years to achieve what they wanted to be in the beginning. With Turbo, a new type of ultra-fast delivery service, they have been able to meet their goal.

That delay, Simon explains, was due to new technology barriers and challenges they had to overcome.

In this sense, Rappi continues to evolve and improve.

Future of Simon and Rappi

Rappi not only became a benchmark in Latin America, it is also a great competitor of one of the largest companies that have emerged in recent years in the United States, Uber. For its team, it has been a source of pride to show the world that Latin America can build technology of the highest level.

Simón believes that, before Rappi and the wave of startups that have emerged in the region, Latin America needed to believe that it could achieve great things. He believes Rappi is an example of this, which is why many users are fond of the company.

“They feel it is much more theirs,”
he explains.

Rappi’s reach is infinite, Simón believes. Its goal is, in the end, to give back free time to people and improve their day-to-day processes

through digitalization. “So that gives us another 20 or 30 years of being able to do nice things for Latin America,” he says.

He will remain at Rappi as long as he feels that under his leadership they can continue to innovate, inspire and add value to the region, and as long as he feels he is the right person to be at the helm of the company.

“I think we have built a culture without egos, and this is not about Simon at all. I have been a very small percentage of Rappi’s success.”

Simón knows that all entrepreneurial stories begin with the entrepreneurs and their strengths, but he believes that, when success is achieved,

it is normal for the entrepreneur, as an individual, to cease to have the same level of relevance. At this point, what transcends the entrepreneur is the entrepreneurial culture that he or she ends up imprinting in his or her team, in the company, in the processes and in the behavior of his or her people. In the end, that culture, added to the shared purpose that unites them, ends up pushing the company and generating leaders and entrepreneurs who can end up being better and bigger than the person who started it all.

“Let’s say the finished work would be me not having to be there, and the company growing much more than if I were there,”
says Simon.

He wishes that in his absence, when the time comes, Rappi can continue to grow and achieve spectacular accomplishments. “Hopefully I’ll be lucky enough to be at Rappi for much longer, and hopefully the entrepreneurial culture will start to spread throughout Latin America, because I think that’s what’s going to help us lift millions of people out of poverty and help people live with more purpose, instead of waiting for everything to come to them.”

Simon does not believe that it is necessary to attend a major U.S. university to become a successful entrepreneur.

In fact, none of Rappi’s three founders went to an American university during their early college years. However, he does point out that they were lucky to go to difficult and challenging universities, such as the Universidad de los Andes in Colombia, where he was able to forge his character and discipline.

Beyond thinking about attending Stanford or Harvard, Simón recommends that entrepreneurs learn to speak English to be able to communicate with investors from all over the world. In addition, especially in ventures involving technology, he says that learning to program helps a lot.



Above all,
however, for
Simon the
main quality
that drives
entrepreneurs to
succeed is the
fire in their eyes:
**the determination
to work hard,
even knowing
that the road
will not be
easy and that
achievements
do not come
overnight.**

TAKEAWAYS

- ✓ **Faith moves mountains.** For entrepreneurs, it is important to develop that sense of conviction for what they do, as it will give them the energy to endure difficult times.
- ✓ Many entrepreneurs achieve incredible things **when they can't afford to give up.** When they know that they carry a weight on their shoulders that they can't let go of, an energy wells up in them that allows them to overcome problems.
- ✓ If you want to create a company that will scale and become very large, try to **find ideas that potential customers can value** at least ten times **more than what exists at present.**
- ✓ Before starting your venture, take a few weeks to **study your idea from different angles.** If it's still keeping you awake at night, you're looking at a great idea.
- ✓ Entrepreneurs must believe that they are made for great things, **they must develop that conviction at a cellular level.** Surrounding yourself with people who help you believe it can propel you on your way.
- ✓ With each new milestone an entrepreneur reaches, the desire to overcome more complicated challenges arises. **Use that momentum to your advantage** and set lofty, but **achievable goals**, and you can go far.
- ✓ **Learn to see problems as opportunities.** Problems create opportunities to create a business, to tell a good story and also to live an adventure, so learn to take advantage of them.

STANDING
GOING
PERFORMING

The background features three large, teal-colored words, each spelling 'OUT'. These words are rendered in a thick, hand-drawn, brush-stroke style. They are stacked vertically and slightly offset from each other, creating a layered effect. The top 'OUT' is positioned towards the upper right, the middle one towards the center, and the bottom one towards the lower left.

CONCLUSION

*“The future cannot be predicted,
but futures can be invented. It was man’s
ability to invent that made human
society what it is.”*

DENNIS GABOR

For decades, Latin America and the Caribbean lacked a deep reservoir of stories that could serve as examples or inspiration within the entrepreneurial ecosystem. While the United States already had iconic cases like Google, Microsoft, or Apple, in Latin America, the idea of creating a company with the potential to scale and make a significant impact often felt like a utopian dream.

But there were those who dared to try. Those who chose to dream. Thanks to their example, people in the region began to believe that reaching for the stars was possible—if someone was brave

enough to try. Because that is one of the most powerful qualities of stories, especially ones as captivating as those of these outliers: they give us a reference point, they allow us to believe, and they make us feel that we, too, are capable of achieving our goals.

Just like when Roger Bannister broke the seemingly impossible four-minute mile—an achievement that quickly inspired others to follow—these stories of successful entrepreneurs in Latin America are proof that we can be agents of change and create disruptive solutions in our region.

But more than that, they show that outliers are as human as anyone reading this book. Behind their success are struggles, failures, and moments of vulnerability. And now, we have a golden opportunity to learn from them. Never before have we had such direct access to the stories of those who are shaping the future of Latin America and the Caribbean.

So how can we harness the lessons of these outliers to build a stronger ecosystem—one that fosters the next generation of entrepreneurs? That's the question we ask ourselves at Endeavor, but we believe that you have the potential to answer it. We believe that you—and every reader—will come away seeing your future differently, empowered to make an impact in your community and your country in your own way.

If, after reading this book, you feel just a little more daring, thoughtful, and bold than you were before, we'll consider our mission accomplished.

We hope this book sparks the imagination of new visionaries—those who will see every challenge as an opportunity and every failure as a lesson. This is not a farewell, but a call to action for all those who carry the seed of entrepreneurship in their hearts:

May these stories be the wind in your sails, propelling you toward uncharted waters, and may the legacy of these outliers serve as a beacon on your journey. The future of Latin America and the Caribbean is in our hands, and together, step by step, we will build a vibrant ecosystem that celebrates audacity, creativity, and the indomitable spirit of its people.

Endeavor

For 25 years, Endeavor has led the global High Impact Entrepreneurship movement to promote economic, social and cultural transformation by selecting, supporting and investing in the world's most promising High Impact Entrepreneurs. By 2022, with the support of Endeavor's global network, these High Impact Entrepreneurs have generated a multiplier effect by creating more than 4 million jobs, generating more than \$50 billion in revenue, and inspiring future generations to innovate and take risks. Headquartered in New York City, Endeavor operates in more than 40 markets around the world.

More Than Scale. Multiply.

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